Daily Report

East Europe

FBIS-EEU-95-076
Thursday
20 April 1995

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FBIS-EEU-95-076 *20 April 1995*

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NOTICE TO READERS: This volume contains a representative selection of material previously disseminated in softcopy format.

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AD Chairman Views U.S. Interest in Albania

AU1904153395 Tirana KOHA JONE in Albanian 18 Apr 95 p 5

[Interview with Democratic Alliance Chairman Neritan Ceka by Jonile Godole in Tirana; date not given: "The United States Is Interested in Albania's Future Government"]

[FBIS Translated Text] [Godole] You were invited to the United States by an organization disparaged here as the CIA. What is the truth about your invitation?

[Ceka] This shows that U.S. policy in Albania is still shrouded under the same veil of mystery as before the democratic turnabout. There is a coincidental similarity between the USIA, which is the United States Information Agency, and the CIA, which is the Central Intelligence Agency. Of course, my visit only involved the USIA and there was nothing secret or mysterious about it. It was an open, friendly, and interesting visit.

[Godole] Involving the U.S. Administration's attitude to the Democratic Alliance [AD], since you were invited as its chairman...

[Ceka] I can emphasize two things: The invitation extended to me as AD chairman shows that the Americans are interested in the party I represent. In its three years of existence, the AD has become a party of interest not only within Albania but abroad. Another factor is that U.S. policy, especially since 1994, has departed from its former predilection, which was a natural preference when the only genuine party of a democratic nature was the Democratic Party [PD]. Now, as Ambassador Lake has said, and as the United States has also said, the United States accepts Albanian parties that are legally active today as equal competitors.

[Godole] Can we then talk abou the United States' opening up as far as the Albanian political spectrum is concerned?

[Ceka] Precisely. Especially in the last year, the U.S. Administration has shown that it is open toward the entire spectrum of democratic parties in Albania. Of course, the AD and the personalities representing it are known in the United States. The names of the AD leaders have long been familiar to U.S. personalities who are interested in Albania. However, this time, I noticed a direct interest in the AD on the part of our U.S. colleagues. There were questions about the organization of the party, how widespread it is, its differences with the PD and the Socialist Party, and especially about the prospects of our party's entering alliances after the elections. These were the main points indicating that there is real interest in the AD.

[Godole] What sort of view did the U.S. Administration take of the "political game" (if we may call it that) in Albania, and also such issues as the removal of Selami?

[Ceka] The Americans are very well informed about what is going on in Albania, and it must be said that they are very realistic in their judgment of events. The conversation concentrated almost entirely on the period since 6 November, during which the most important events have been Berisha's defeat in the referendum and the opposition's offer of an alternative constitution. The second important issue that was covered was the attempt to build institutions in Albania, including Brozi's attempt to defend the independence of the judiciary and the efforts of the Albanian deputies to defend the independence of the parliament. The third issue concerned the swings in the Albanian political spectrum, in which the most important event has doubtless been Selami's removal from the PD chairmanship, which has created a real vacuum in the PD.

[Godole] What do they expect from Selami?

[Ceka] The efforts to build institutions in Albania are viewed in a positive light, of course. To the American mind, some of these events, such as Selami's removal, the way Berisha conducted his campaign, or the attempts to eliminate any shred of independence for the courts, may appear scandalous. In the United States, they would come under the heading of political crimes. Of course one might say that Selami has friends in the United States. I also saw a personal interest on the part of people for whom Selami represented a positive future for the PD and an attempt to modernize and civilize this party. There was a sort of regret over the defeat not only of Selami as an individual but of the current he represented in the PD. There is also at least a desire among these circles to see Selami attempt to struggle for his own alternatives.

[Godole] In your interview with ALEANCA, you said that Brozi is a hero to the Americans...

[Ceka] In a country where the Constitution is above everything, where the law reigns supreme and the president of the Supreme Court is the only personality at a level to challenge the president and even to bring him to court, what Zef Brozi has done is of course seen as something titanic. There were indeed humorous moments, when I reminded them that Zef Brozi is no more than 1.60 meters tall. Nevertheless, he made a good impression on his visit to the United States. I talked to people who had met him personally.

[Godole] How is the opposition viewed in the context of political events in Albania?

[Ceka] The opposition is not outlawed, because no conversation in the United States can be conducted without regard for the American mentality, which accepts the opposition as a part of the state. In fact, the opposition and the government live together in the United States. Therefore, the conflicts that exist in Albania between the central government and the opposition, which holds a section of local government in its hands; the clashes and conflicts in the parliament; or the

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attempts to persecute the opposition have left behind a bitter taste in the circles in the United States interested in Albania. I noticed an interest in the opposition in Albania, including an interest in the AD, in the newly created Rightist League, in the Democratic Party of the Right (Kalakula was specifically mentioned), and in the Socialist Party. Nano was of course mentioned, and I noticed that the Americans consider it possible that the Albanian opposition will be in power after the elections.

[Godole] While we are on the subject of Nano, what did they say to you specifically?

[Ceka] Nano was mentioned only in connection with the fact that he is still in prison. I had the impression that this somewhat surprised my U.S. colleagues, and they asked what the chances are of Nano's being released one day.

[Godole] How was Albania seen now, on the threshold of the elections?

[Ceka] I did not notice any worry on the part of my U.S. colleagues. They were convinced that, even after the elections, Albania will not waver on the path of the reforms and in creating a market economy and democratic institutions. They were also optimistic that Albania will be a factor of stability in the Balkans and will create the best possible relations with its neighbors.

[Godole] What place did the alternative constitution occupy in your discussions?

[Ceka] The alternative constitution occupied a special place at all the meetings we held, especially at the State Department, the talks I had at the Republican Institute, the Democratic Institute, the Institute for Peace, and the meeting at the World Parliamentary Organization for Global Action. At these meetings, they appreciated the opposition's initiative in producing an alternative constitution. I even had a special discussion with a U.S. expert, Ms. Himhold, who had read the constitution, because she knew Albanian, and had translated it. Nevertheless, I explained to her that the opposition was not seeking to impose this constitution on Albanian society, but intended that this constitution should be one of the variants that might be submitted to a parliamentary commission and to the parliament if Article 16/2 is changed.

[Godole] What meetings do you single out as the most important?

[Ceka] The most important one was at the U.S. Congress, where I was welcomed by Michael van Dusen, the well-known specialist in U.S. foreign policy who heads the Democratic staff of the Congress's Foreign Affairs Committee, and Martin Sletzinger, the Balkan specialist. Both were very well -informed about Albania and have friends here. I can say that their interest in Albania was more than simply that of people who deal with politics. They appreciated the steps taken in relations with Greece, and valued Papoulias as a pragmatic politician and the man who was the first to pave the way for Albanian-Greek friendship. Moreover, they appreciated the specific steps taken by the Albanian Government, the proposal for a Balkan conference, and the preparations for Foreign Minister Serreqi's visit to Athens. There was a clear U.S. desire to see initiatives aiming to create a new Balkans of peace rather than conflict. At the State Department, I met a person who is well known in Albania and speaks Albanian: Christopher Hill, who used to be first secretary of the U.S. Embassy. The talks with him mainly concerned domestic policies in Albania, and the changes that have taken place in the time since he left. We then talked about the events within the PD and the progress the AD has made. However, he was very well informed about all the events that have taken place here, and he had with him a very good Balkan specialist, who was especially interested in Albania and was also very well informed. I learned from Christopher Hill the views of the U.S. Administration about Albania and the Balkans, its optimism over the progress of affairs in Albania and the Balkans, and its opening up toward other political parties and political personalities, whom they consider as entering into equal competition. I also learned that the United States is interested in stability in the Balkans and sees Albania as a factor that should contribute to this stability.

[Godole] At your meetings with U.S. personalities, did they speak about the U.S. Administration's placing great hopes in the AD, or are you keeping this secret?

[Ceka] This is something we would like. It is not a matter of great hopes, because the Americans are pragmatic and realistic. The AD itself has not come forward to rescue Albania, but I think that our colleagues understood our role in creating a new political movement, a movement of liberal democracy that previously had very narrow scope and was represented mainly by other parties, including a part of the PD. Now the AD is seeking to become a party that will be its own master in the center. I saw realism about the role of the AD. On the other hand, I am glad that this party is considered one that is friendly toward the United States, because our party program has a European-Atlantic orientation, by which we mean toward the United States.

[Godole] From what angle can we consider ties between the United States and Albania?

[Ceka] The United States does not of course have any great economic interests in Albania. This was the only note of pessimism in the discussions with our U.S. colleagues. They called Albania a very risky country for investments, and unsuitable for U.S. investments from the legislative point of view. U.S. interest in Albania is mainly political interest. They see that Albania needs political support from the United States, and also requires this support to build institutions and to construct a free society. They also see that Albania has an undeniable role in the current Balkan situation.

[Godole] How did members of the U.S. Administration assess Berisha's role in Albania?

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[Ceka] In most of the talks, Berisha was not mentioned at all. He was recalled in the context of the constitution and the referendum. The Americans, who watch everything attentively, suspect that the way in which Berisha is behaving suggests an intention to leave Albania without a constitution, and this is something unacceptable to the Americans. I did not notice that Berisha was allowed any special value in the new elections in comparison with other alternative figures in Albania. Berisha is one of the alternatives; nothing more.

'Imprudent' Berisha Statement Noted, Criticized

AU1904194795 Tirana BALLI I KOMBIT in Albanian 14 Apr 95 p 1

[Unattributed commentary: "An Imprudent Diplomatic Pronouncement"]

[FBIS Translated Text] Over the last few days, the Athens News Agency transmitted an interview with President Berisha that has provoked reactions not only from the Greek side but also from the Albanian side. The essence of his interview can be summed up by a pronouncement made by the Albanian President urging Greece to play the role of a mediator in a possible dialogue between Kosovo Albanians and Belgrade's Serbian regime.

In a press communique issued by the Greek Embassy in Tirana, Greek Government spokesman Venizellos is quoted as saying: "The tone of Mr. Berisha's declarations is very positive indeed, and I think that the same positive climate exists in Greek-Albanian relationships in general, in the new phase we have entered following the visit of Greek Foreign Minister Papoulias to Tirana. The Greek Government would like to express its delight about the way in which the Albanian President is treating problems now. Greece recognizes its role in the Balkans and is aware of its comparative advantages. Its basic objective is to do its utmost in terms of boosting bilateral contacts and contacts with international bodies so as to assist in ensuring stability, peace, and security in the region in general, and in the southern Balkan regions in particular." (RILINDJA DEMOKRATIKE, 12 April 1995).

Greece's positive reaction, it can be seen, is abiding by diplomatic standards that existed a long time ago in the Balkans and between international bodies. Greece is exploiting Berisha's proposal to modify anew its suspicious role in the region, as well as its open and close relations with the Serbian side. Our president seems to have forgotten that Greece has a host of unsettled problems with the Albanians, and, in this position, could not initiate any dialogue with a third party. Berisha's statement is euphoric, imprudent and not at all diplomatic. It was given in a context of perilous inferiority for our nation's fate and for the reputation of our new Albanian democratic state. Athens' enthusiasm about this stand expresses in a cynical way the artificial supremacy of its diplomacy, incapable of altering its chauvinistic essence. We just remind Berisha what S. Milosevic stated nearly a year ago: "Now, Serbia has only God's and Greece's assistance."

Kosovo Leader Rugova Meets With PS Leaders

AU1904141895 Tirana KOHA JONE in Albanian 18 Apr 95 p 3

[Article by Altin Hazizaj: "President Rugova at the Socialist Party Headquarters"]

[FBIS Translated Text] *The visit by the president of Kosova would have passed unnoticed in Albanian political life, if he had, as usual, only met President Berisha or the Democratic Party [PD] deputy chairmen Dosti and Spahia. However, this time the Kosovar president sought meetings with opposition parties too.*

There is no doubt that Rugova is a leader who knows the policy of Europe toward Albania and Kosova. This is evident from his frequent visits to Western European countries, which have expressed their attitude to the crisis in Kosova. It was with this in mind that he visited the Socialist Party [PS] yesterday and met its leaders, in order to find out this party's options over the problem. It seems Rugova has a premonition of political change in Albania, which will also be reflected in Albanian policy toward Kosova. At his meeting yesterday, Rugova received confirmation from the PS that the question of Kosova must be solved peacefully, and that its union with Albania belongs to the distant future, as many Western politicans have said. PS Deputy Chairman Dokle takes the same standpoint on solving the crisis.

As for Rugova's meeting today with the leaders of the Human Rights Union [PBDNJ], it is worth emphasizing that the Kosovar president is perhaps thinking of the idea put forward by Berisha a few days ago, when Berisha said that Greece might mediate with Serbia for a solution of the Kosova conflict. At his meeting with the leaders of this party, otherwise known as the party of the Greek minority in Albania, Rugova will seek to find out whether Greece really might intervene for a peaceful solution of the Kosova issue. Rugova is expected to confirm this after his meeting with the PBDNJ leaders.

Ibrahim Rugova, president of the Republic of Kosova, held meetings yesterday afternoon at the headquarters of the two largest Albanian parties, the PD and the PS, in order to receive renewed confirmation of their support for the Kosovar cause. These meetings took place after his conversation with Albanian President Sali Berisha, during which the Kosovar leader reported on his recent meetings with senior officials in London and with former British prime minister Margaret Thatcher.

Rugova first met with PD General Secretary Tritan Shehu and Messrs. Tomor Dosti and Ali Spahia, at PD headquarters in Tirana. According to the statement issued by the PD's Press Office, Shehu assured Rugova

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that the economic reform in Albania is proceeding according to forecasts and the program has been largely completed.

The PD is working to realize, before the new elections in 1996, those items on the program that have remained unfulfilled, the press statement published after the meeting declares.

PD Secretary Shehu, the statement continues, spoke about the need for cooperation with the Kosova Democratic League [LDK] and the other Albanian parties in Kosova, while the PD will continue its efforts to internationalize the cause of Kosova until it is definitively solved. For his part, Rugova made known the options for the solution of the Kosovar crisis, in accordance with the will of the people expressed in the referendum of May 1992.

The Kosovar president's most interesting meeting was at the headquarters of the PS, the largest opposition party. Rugova had confirmed the meeting for 1400 and was punctual in arriving. This was his third visit to this party. Rugova had his last meeting with Fatos Nano, the now-imprisoned PS leader, a few days prior to Nano's arrest. Yesterday, the police had taken every measure to block the road to all other cars as Rugova arrived. The president of Kosova was welcomed to the PS headquarters by the party's three deputy chairmen—Servet Pellumbi, Namik Dokle, and Ilir Meta—and was accompanied by LDK press spokesman Avni Spahiu. Mr. Rugova declined requests from reporters to reply to questions, and was shielded by his bodyguards.

Before the meeting, Mr. Pellumbi told reporters that his party wanted the Kosovar people to live in freedom and independence and to have their own state. These are our standpoints, Pellumbi declared, and we have always welcomed Rugova's successful meetings in Europe and the United States. Rugova, for his part, said that the help of the Albanian state and Albanian politicial forces has been considerable in internationalizing the cause of Kosova. After the meeting, which lasted more than one hour and Rugova's continued silence before reporters, PS Deputy Chairman Dokle told us that they had talked about many national and international issues. All political forces in Albania and Kosova must commit themselves to confronting unsettled situations and to providing adequate solutions for the Albanian question, the statement published after the Pellumbi-Rugova meeting declares.

We also talked about the Nano case with Mr. Rugova, Ilir Meta told us after the meeting. We held fast to our standpoints, while the Kosovar president said that the PS should not have politicized the issue so much....

As for the question of Kosova, Mr. Dokle said, I see union with Kosova as something distant. This problem must be solved gradually, when all Europe is united.

Serreqi Meets With Kosovo Leader, Urges Dialogue

LD1904220795 Tirana Radio Tirana in English 1830 GMT 19 Apr 95

[FBIS Transcribed Text] The Albanian foreign minister, Alfred Serreqi, pointed out the attitude of Albanian Government, which conditions the lifting of the sanctions on Serbia with a settlement of the Kosovo issue. In a meeting with the Kosovo president, Ibrahim Rugova, in Tirana, Serreqi pointed out the need for dialogue between the legitimate representatives of the Albanians in Kosovo and the Belgrade authorities under the auspices of a third party.

The president Rugova valued the achievements in the last three years in the reforms that are taking place in Albania and in the field of foreign policy. He expressed the gratitude for the contribution of the Albanian diplomacy to the settlement of the Kosovo problem.

Speaking about the situation in Kosovo, Rugova pointed out the difficult situation of the Albanians under the Serb repression. He valued the respecting of the sanctions on Serbia and Montenegro by Albania. The interlocutors pointed out the influence of the Albanians as a factor of peace and stability in the region, pointing out the protection of their national life. They spoke about the situation of the Albanians in the former Yugoslav republic of Macedonia, too.

Union Rally Protests Difficult Economic Situation

AU1904143495 Tirana TVSH Television Network in Albanian 1800 GMT 18 Apr 95

[FBIS Translated Text] A spokesman for the Trade Union Confederation of Albania [KSSh] reports that at the Asllan Rusi Palace of Sports in Tirana yesterday afternoon, the KSSh council for Tirana district organized a rally of protest against the difficult social-economic situation of employees, unemployed people, pensioners, etc.

With slogans—we want to work; we want higher salaries; privatization for all; down with corruption; Government, resign; etc.—the participants supported the KSSh demands for secure minimum incomes for the unemployed, pensioners, teachers, and health employees.

In his speech, KSSh chairman Kastriot Muco reiterated the confederation's demand for the government to resign as a necessity dictated by its incapability to resolve the acute socioeconomic problems that have engulfed the country. Muco called on employees in the health, education, and budget sectors to coordinate their just fight with all trade union forces to manage to resolve the demands they have put forward.

Irfan Bashi, chairman of the Tirana Trade Union Council; Minella Mano, chairman of the Health Trade Union Federation; and representatives of trade union sections and several political parties also addressed the rally, a report by the KSSh spokesman concludes.

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Article Predicts Decline in Bonds Value

AU1904145195 Tirana KOHA JONE in Albanian 18 Apr 95 p 8

[Article by "M.B.": "Sprinting on the Privatization Track"]

[FBIS Translated Text] A few days ago, a World Bank specialist declared to our press: "Do not try to solve political and social problems by distributing public assets." This piece of economic wisdom leads one to conclude that the current haste to privatize may be attributed to the political pressure of the parliamentary election campaign. The president and the government have "kept their word"—privatization through privatization bonds—and announced on 15 April, through the official press as always, that "This day dawned on more than 1 million rich Albanians, making them the owners of a portion of our national wealth...."

Anybody can see that, in practice, our economy is in virtually total collapse. This situation is exacerbated by the lists of enterprises to be privatized and their values. What will be the future role of the Privatization Agency, which has collected and processed privatization experience so far?

In Albania, economic specialists either engage in politics or watch from the sidelines and wait, while the small-scale market economy strives to do at least something to alleviate the pains of transition. Old kiosks are enlarged, and some people build new ones. All these are workplaces, but they do not produce. The emigration industry has "cushioned" some of the social and economic fury that transition has brought. Its mechanism continuously generates money. However, nobody is ready to be persuaded by the politicians to invest this money in the resurrection of a few heaps of scrap iron.

An economy that is not in a position to produce and to meet a part of the population's needs will no doubt consume everything that it imports, and will as a result head for bankruptcy. In such a situation, will the bonds owned by stockholders in the trading companies to be created from the privatization of state enterprises possess any value? When some of the enterprises are closed, vandalized, or looted, what advantages are secured for shareholders by the purchase of specific sections of state enterprises or the opportunity to join investment associations? Judging by the experience so far, the prospect for the bonds is that they will be bought up for "peanuts" on the free market and will go the same way as the bonds issued to the former victims of political persecution, which are still being sold at 45 percent of their face value.

So far, no figure has been given for the value of the assets privatized in the last three years, but more than 16 billion new leks' worth of privatization bonds will be issued before 30 June 1996. How were the calculations performed, when there is still no census of the population according to age groups, subtracting those who have already benefited from the privatization so far? The Bank of Albania will print privatization bonds according to the following denominations: 600,000 at 10,000 privatization leks; 396,000 at 15,000 privatization leks; and 204,000 at 20,000 privatization leks. That is what the government says, but it is not known what happened to the 10 billion privatization leks awarded to the former victims of political persecution.

This haste to issue bonds will no doubt lead to confusion among their owners and a precipitous decline in their value. Citizens are being told about the bonds' outward appearance, with a portrait of Skenderbeg, but are not being supplied with minimal information about how and where they will be used. They will no doubt be of value for the electoral campaign, and then who will be left holding the trump cards: the government or our citizens?

Former Leader's Son Under House Arrest

AU1904134195 Tirana TVSH Television Network in Albanian 1800 GMT 18 Apr 95

[Announcer-read statement from the Tirana District Prosecutor's Office; date not given]

[FBIS Translated Text] The Tirana District Prosecutor's Office yesterday initiated legal proceedings against Ilir Enver Hoxha, and arrested him. Hoxha is charged with inciting racial hatred, under Article 56 of the Penal Code, second paragraph, and Article 7 of Law No. 7,769 dated 16 November 1993, which states: A person endangering the public peace by inciting hatred against parts of the population by insults or slander, or encouraging violence or arbitrary acts against them, is liable to imprisonment of from one to five years.

This charge, which was made on the basis of Articles 63 and 75 of the Code of Penal Procedure, is related to an interview given by Ilir Hoxha in the 18th edition of GAZETA MODESTE. In this interview, the author attempts to breed hatred among various groups of the population by insulting and slandering them.

As a security precaution, it was decided to confine the defendant to his home with guards, concludes the report by a spokesman from the Tirana District Prosecutor's Office.

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Ministry Issues Position on Serb Minority Issue

AU1904155895 Sofia Khorizont Radio Network in Bulgarian 1500 GMT 19 Apr 95

[FBIS Translated Text] The Ministry of Foreign Affairs has officially presented its position in connection with the claim of a Yugoslav diplomat in Geneva that there is a Serbian minority in Bulgaria.

The Ministry of Foreign Affairs thinks that no official reply should be issued in order to avoid any commitment to conduct a dispute on a nonexistent issue, instead of concentrating on the really existing issue: the problems of the Bulgarians in the Western Outlands.

Member of National Assembly Replaced

95P20696B

[FBIS Media Note] In the 30 March issue of the National Assembly's official organ, DURZHAVEN VESTNIK, the Central Electoral Commission announced its decision of 23 March to curtail the tenure of Khristo Ivanov Khristov, who was elected to the National Assembly in the 16th electoral district in the city of Plovdiv as a candidate of the BSPASEK (Bulgarian Socialist Party, Bulgarian National Agrarian Union—Aleksandur Stamboliyski, and the Ekoglasnost Political Club) coalition. The Central Electoral Commission named as his replacement Georgi Atanasov Totkov from the same coalition.

Changes in National Assembly Commissions

95P20696C

[FBIS Media Note] In its 21 March issue, the National Assembly's official organ, DURZHAVEN VESTNIK, published the texts of a series of decisions signed by the assembly's chairman, Blagovest Sendov, on changes in the membership of the assembly's permanent commissions. The results of these decisions are summarized below. Also given are the party or coalition affiliations of the representatives, which are taken from the 30 December 1994 issue of DURZHAVEN VESTNIK and subsequent addenda.

Petur Georgiev Bashikarov of the BSPASEK (Bulgarian Socialist Party, Bulgarian National Agrarian Union—Aleksandur Stamboliyski, and Ekoglasnost Political Club) coalition is elected to the Commission on Budget and Finance.

Mariana Simeonova Khristova of the BSPASEK coalition is elected to the Commission on National Security.

Todor Raychev Popov of the BSPASEK is elected to the Commission on Labor, Social, and Demographic Problems and to the Commission on Local Self-Government, Administriative-Territorial Structure, and Regional Policy.

Rumyana Nikolova Shubekova of the BSPASEK and Luchezar Blagovestov Toshev of the SDS (Union of Democratic Forces) are relieved as members of the Commission on Education and Science. Petur Vladimirov Dimitrov of the BSPASEK and Stoyan Chilov Raychevski of the SDS are elected to this commission.

Khristo Ivanov Khristov of the BSPASEK is relieved as member of the Commission on the Structure and Activity of State Organizations. His replacement is Georgi Vladimirov Yurukov from the same coalition.

Khristo Ivanov Khristov is also released from membership in the Commission and as deputy chairman of the Commission on Youth, Sports, and Tourism. Doncho Svobodinov Atanasov of the BSPASEK and Ivan Penev Bratulev of the BSPASEK are elected as members of this commission. Ivan Asenov Atanasov of the BSPASEK is elected as deputy chairman of this commission.

Rumen Yordanov Rusev of the BBB (Bulgarian Business Bloc) is elected to the Commission on Parliamentary Ethics.

The following representatives are elected to the Commission on Administration:

BSPASEK Members
Georgi Avramov Dimov
Emil Veselov Filipov
Kiril Stoyanov Zhelev
Rosen Dinev Mikhaylov

SDS Members
Vasil Nikolaev Mikhaylov
Muravey Georgiev Radev

NS (People's Union) Member
Ventseslav Asenov Dimitrov

DPS (Movement for Rights and Freedoms) Member
Gulbie Redzheb Osman

BBB Member
Rumen Yordanov Rusev

Personnel Positions in Interior Ministry

95P20696A

[FBIS Media Note] On 28 March, the official organ of the National Assembly, DURZHAVEN VESTNIK, published the following information on staffing in the Ministry of Internal Affairs: In accordance with Decree 61 issued by the Council of Ministers on 20 March, the Central Administration of the Ministry of Internal Affairs should consist of 597 state employees, including one chief secretary and four secretaries.

Results of BSP Supreme Council Plenum Viewed

AU2004100895 Sofia PARI in Bulgarian 17 Apr 95 p 3

[Article by Stefan Nedelchev: "BSP Headquarters Promises Not To Command Cabinet"]

[FBIS Translated Text] The Bulgarian Socialist Party [BSP] Supreme Council elected nine commissions at its

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16 April plenum. They will be working organs that will comprise members of the Supreme Council, deputies, and experts from the party branches—stated Georgi Purvanov, BSP Supreme Council deputy chairman. The commissions will convene once a month in order to work out positions on the most important issues related to the development of the party, society, and economy. According to Mr. Premyanov, the commissions can recommend (rather than impose) certain decisions to the government. However, they can by no means interfere in personnel issues. The Commission on Regional Policy and Municipal Self-Administration led by Doncho Konakchiev, and the Commission on Foreign Policy and National Security led by Krasimir Premyanov, would not create any problems for the prime minister. However, it is not certain whether this also applies to the Commission on Economic and Social Policy, led by Nikolay Koychev. It includes economists such as Atanas Paparizov and Stefan Stoilov, and agrarian experts, whose opinions do not always coincide with those of the prime minister and his deputies. For the first time, a Subcommittee on Privatization and Private Business has been established at the BSP Supreme Council.

Yanaki Stoilov will head the Commission on the Sociopolitical System, which will prepare positions on the activity of the state institutions and maintain contacts with various parties and organizations.

The Commission on BSP Ideological Development, led by Georgi Purvanov, has a colorful composition—from the Social Democrat Chavdar Kyuranov and Alternative Social Liberal Party [ASP] supporter Valentin Vatsev, to Dobrin Spasov and the overt Marxist-Communist Mincho Minchev. Therefore, observers think that the commission will be no more than a simple chitchat parlor. Klara Marinova will lead the Commission on Propaganda and Relations with Society, while in addition to the National Assembly Commission on Science, Education, and Culture, Yuriy Borisov will also head the BSP commission with the same name.

The payroll of the BSP headquarters has been decreased from 202 to 153 employees, 28 of whom actually are regional accountants and work in the provinces, Mr. Purvanov said. He said that the payrolls of the BSP municipal councils will also be updated.

BBB Makes Structure, Leadership Changes

AU1904172595 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 19 Apr 95

[FBIS Translated Text] On 19 April the Bulgarian Business Bloc [BBB] parliamentary faction discussed and adopted changes in its structure and leadership. With six votes against five and one abstention Mr. Ivo Traykov was elected BBB parliamentary faction chairman. Orlin Draganov was elected deputy chairman. Simultaneously, he will be the BBB secretary. Nikolay Kisyov preserved his post as spokesman.

The party remains a centrist-rightist formation and will be a prudent opposition, the newly elected chairman, Ivo Traykov, said.

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Klaus Discusses Transformation, 'United Europe'

AU1904135795 Bratislava HOSPODARSKE NOVINY in Slovak 18 Apr 95 pp 1, 3

["Extract" from "exclusive" interview with Czech Prime Minister Vaclav Klaus by Peter Kasalovsky and Emilia Herzogova in Prague on 13 April: "Plunging Into Transformations"]

[FBIS Translated Excerpt] [Passage omitted] [HOSPODARSKE NOVINY] What is cooperation like within the Visegrad Group? Does it involve strengthening the economic platform?

[Klaus] You know very well that I do not use the concept or word "Visegrad" (Three, Four, Group). (Though journalists are not alone in asking me this?!) In my mind, I place emphasis on CEFTA, the Central European Free Trade Association, and on many other concepts. Incidentally, a few days ago, I gave a detailed explanation of this issue in the Netherlands, using similar arguments to these. As Czech prime minister, I have not taken part in anything that could be called Visegrad. Because I am an advocate of the maximum opening up of economies, on the eve of the Brno International Engineering Fair in September, we are organizing a meeting of the CEFTA countries on this subject at which, for example, Slovenia, Romania, and Bulgaria will be present.

[HOSPODARSKE NOVINY] The comprehensive transformation process is accompanied by many negative phenomena that have to be taken into consideration. Have problems that you somehow did not anticipate cropped up in recent developments, or, on the other hand, have some of the anticipated problems simply not occurred?

[Klaus] Comprehensive social transformation of the kind we are implementing has its envisaged investments and transformation costs. All of the details, including whatever difficulties arising from the erosion of various certainties or pseudocertainties, have to be perceived as an element of a specific entity. Of course, it was necessary to take inflation, unemployment, and other phenomena accompanying the entire transformation process into consideration. In this case, too, it is obvious that no rules are or ever will be absolutely perfect and that it is not within the powers of anyone to prevent all of the deliberate offenses or even all of the accidents that "occur" on the comprehensive road of transformation.

[HOSPODARSKE NOVINY] Is it possible to apply the aforementioned statement to the road toward a united Europe, on which the British and French, among others, also have to reach an agreement?

[Klaus] This uniformity was clear to me long ago, and I am pleased that it is now also becoming clearer to the majority of European politicians. This, however, does not rule out the existence of natural neighborly tensions. The issue merely involves making sure that they can be minimized institutionally on a certain general level. From this point of view, it is important to assess precisely what the objective and the means of achieving a united Europe are.

[HOSPODARSKE NOVINY] What do you consider to be the objective?

[Klaus] The objective is the creation of a free Europe and an appropriate standard of living for Europeans. I consider the European integration process to be a natural one; however, within it, certain institutional forms, current and future, are a matter of time. Within them, it is already clear that a single currency will not come into consideration before 1997—perhaps 2001 at the earliest. [passage omitted]

Dissident Discusses Cuba's Prospects

LD1904180295 Prague Radiozurnal Radio Network in Czech 1600 GMT 19 Apr 95

[FBIS Translated Text] [Announcer] Deputy Foreign Minister Pavel Bratinka today discussed the perspectives for political and economic development in Cuba with the president of the opposition Cuban Liberal Union and vice president of the Liberal International, Carlos Alberto Montaner. This important dissident was invited to Prague by the Bohemiae Foundation. Zita Senkova has more details:

[Senkova] According to Carlos Montaner, who has lived in exile for over 25 years, Cuba's supreme leader is not trying to save the orthodox socialist system but, instead, is trying to combine it with some aspects of capitalism and so save the political dictatorship.

According to Montaner, the number of hard-line Stalinists around the leader is increasingly small. Most of the new faces in the government could be described as reformist forces, whom Castro, however, does not trust.

Montaner also recalled the force of repression faced by dissidents in Cuba, ranging from interrogation to pogroms. Cuban dissidents live in fear for their lives. They are persecuted and do not have the opportunity to work. Castro mercilessly had opposition cells broken up with the help of rapid action brigades, which Montaner compares with Hitler's SS [elite guard].

What does the opposition politician from the Cuban Liberal Union consider as most important for the future of Cuba?

[Montaner, in English fading into Czech report] We hope that it can get better. We want the legalization of political parties and human rights groups; we want an amnesty, freedom of the press, and freedom of speech, Montaner said. We want the Communist Party to take part in this transformation. As the opposition knows, however, Castro has already dismissed the revolutionary idea of joint action by Cubans as a CIA plan. We want nothing more than order and legitimacy for our activities.

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New Moravian Political Party Established

LD1904165295 Prague Radiozurnal Radio Network in Czech 1300 GMT 19 Apr 95

[FBIS Translated Text] A new political party, Czech Choice [Ceska Volba], made an introductory public appearance today. Here is Tomas Sulak from Czech Radio Olomouc with more details:

[Sulak] Czech Choice seeks above all to address independent candidates who were elected in the local elections and wishes to position itself outside the existing left-right political spectrum. According to Ales Prichystal, one of the members of the Czech Choice preparatory committee, there are more than 70 political parties active in the Czech Republic, and Czech Choice was registered on 10 April. In the near future, 11 local clubs will be set up, primarily in central and northern Moravia. According to Prichystal, Czech Choice does not want to be a party developing in Prague because it is possible to influence national politics even from Olomouc [northern Moravia], where the party is based.

The party's policy priorities include the security of citizens, the rationalization of national and local public administration, and control over the acquisition of power and wealth.

The founding congress of Czech Choice will take place in the second half of this year. The party intends to run in next year's parliamentary elections.

Minister Announces First Year of Economic Growth

LD1904194695 Prague Radiozurnal Radio Network in Czech 1500 GMT 19 Apr 95

[FBIS Translated Excerpt] This country's economic performance last year was a success, according to the government. This emerged from today's Cabinet discussions on the state final account. Jana Zemanova has more details:

[Zemanova] Finance Minister Ivan Kocarnik stressed that last year was the first time since the start of the economic transformation that our economy grew. It grew by 2.6 percent. Inflation did not exceed 10 percent, and unemployment hovered around 3 percent.

The government recommends spending just 7 billion korunas of the total 10.4-billion-koruna surplus and using the remainder to pay off the state debt. [passage omitted]

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Meciar Leaves on 3-Day Working Visit to Italy

LD2004072895 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 0500 GMT 20 Apr 95

[FBIS Translated Text] Slovak Prime Minister Vladimir Meciar left today on a three-day working visit to Italy. During the visit, Meciar will be received by Italian President Oscar Luigi Scalfaro. Meciar will also meet Italian Foreign Minister Susanna Angelli and Cardinal Jozef Tomko.

The itinerary of Meciar's visit also includes an audience with Pope John Paul II and a meeting with Vatican officials.

Attacks on President's Son Continue

95CH0220A Prague PRAGUE POST in English 11 Apr 95 p 6

[Article by Timea Spitkova: "Kovac Jr. Gives President's Foes Yet Another Weapon As Political Battles Heat Up"]

[FBIS Transcribed Text] Bratislava—Allegations of fraud involving the 31-year-old son of President Michal Kovac have become another time bomb in the ongoing battle between the Slovak government and the president.

For the past month, the Slovak newspaper REPUBLIKA has run a series of articles on the case of "Michal K. Jr." The son of the head of state is reportedly a suspect in a German case involving the embezzlement of $2.3 million from the Slovak company Technopol.

REPUBLIKA, the daily most supportive of the ruling Movement for Democratic Slovakia (HZDS), claims the president's office and Interpol are attempting to cover-up. The HZDS, led by Prime Minister Vladimir Meciar, and the president are at odds politically.

Munich prosecutor Dieter Emrich issued an international warrant in November for the arrest of the younger Kovac. Emrich, however, publicized the warrant only after the Slovak press obtained copies of the document.

To date, Slovak legal authorities have not looked into the matter. "For proceedings to take place in Slovakia, we would have had to have received some kind of information from the German prosecutor, but no such information has arrived," said Roman Matasovsky, first deputy at the general prosecutor's office.

As far as the prosecutor's office is concerned, the son of the president may or may not have committed a crime in Germany, but in Slovakia there is no warrant for his arrest, Matasovsky said.

According to some members of the government, Matasovsky's office is not investigating the matter because the president has exerted pressure on law-enforcement officials.

"Someone close to Kovac tried to interfere in the affair," charged Marian Andel, a leader of the nationalist Slovak National Party (SNS).

Kovac and other opposition members have called the affair a slander campaign.

"The whole thing is fabricated," said presidential spokesman Vladimir Stefko. "There have been no charges filed, and, for all we know, Michal K. Jr. may be wanted only to appear as a witness."

By making the issue a matter of public record, REPUBLIKA interfered with the investigation and thus violated the law, Stefko said.

Some observers fear the government will use the scandal in its attempt to depose the president. Kovac became a target of attacks from Meciar following Meciar's fall from power last March. The president was a catalyst in that ousting. Since Meciar's current government was formed late last year, it has taken a number of steps to cut Kovac's power, slashing his budget and reducing his role in the secret service.

One source close to the secret service said he didn't know the specifics of the case involving Kovac's son, but he said he believes this to be the first of many slander campaigns aimed at the president.

"The toughest thing is to smear Kovac without everyone who is presently in the government getting their hands dirty," he said.

According to the same source, the next campaign will probably be directed at Kovac's business involvement in England during the communist era.

Brigita Schmoegnerova on Economic Prospects

95CH0204A Prague PRAGUE POST in English 28 Mar 95 p 10

[Article by Vladimir Todres: "Meciar Program a Threat to Stability?"]

[FBIS Transcribed Text] Bratislava—It's been nearly five months since Vladimir Meciar ascended for a third time to the prime minister's office.

And, lately, Slovakia has posted some surprisingly good economic statistics.

The country cut its inflation rate in half from 25 percent in 1993 to 11.7 percent in 1994. Gross domestic product rose 4 percent. The country watched over a 4 billion SK ($120 million) surplus last year, compared with a 27 billion SK deficit in 1993. The budget deficit was held to a low 3 percent of gross domestic product—1 percent lower than planned.

However, Meciar can't take credit for most of those figures. Much of Slovakia's economic success was engineered by former Prime Minister Jozef Moravcik, whom Meciar replaced last December (Moravcik having

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formed a government after Meciar was toppled in a March 1994 no-confidence vote). Meciar threatens to undo some of his predecessor's achievements.

Former Deputy Prime Minister Brigita Smognerova, who in Moravcik's government was responsible for the economy and is now a member of the Democratic Left Party (SDL) faction in parliament, spoke to THE PRAGUE POST about Slovak economic prospects.

THE PRAGUE POST: What are the main differences between Meciar's and Moravcik's approaches?

Brigita Smognerova: The first difference concerns macroeconomic stabilization. We aimed at achieving stabilization by keeping inflation low and maintaining a stable Slovak crown. On the other hand, we tried to stimulate the first indications of economic growth.

The present government perceives support of economic growth as its first priority, thus endangering stabilization. They want to stimulate growth by extending loans. This is hardly compatible with their aspirations of bringing inflation below 10 percent.

The second difference is the approach to structural reforms. Meciar's government has taken several steps to slow down privatization. We wanted to begin the second wave of coupon privatization last December, but this government announced it would start no sooner than this July. Many approved privatization projects have been canceled.

P.P.: Meciar says he wants to fund loans to enterprises through nonbudgetary sources. Where will the money come from?

Brigita Smognerova: The Slovak National Bank is supposed to provide special loans for certain things, such as public works, export financing and farm support. That could be acceptable if it were within the limits of the bank's 1995 loan program adopted last year, although it would be bad anyway. The bank should not lend to the economy directly.

P.P.: Isn't the Slovak National Bank a legally independent institution?

Brigita Smognerova: It is, legally. It is responsible to parliament. Nevertheless, Meciar exerted certain forms of pressure on the bank the last time he was in office, including through some members of the bank's governing council. One can't (rule out the possibility) that they will be used again.

P.P.: Meciar promises growth, inflation under 10 percent and a cut in the unemployment rate from 14 to 10 percent. Which of these goals would you call realistic?

Brigita Smognerova: These goals contradict each other. A 5-percent economic growth rate, being achieved with the above-mentioned methods, makes it impossible to keep inflation under 10 percent. And, if you're going further with privatization and restructuring the economy, you can't reduce unemployment to a 10-percent level. Actually, there is 20 percent overemployment in the state sector.

P.P.: Is the gap between Slovakia and the Czech Republic widening?

Brigita Smognerova: It may be surprising, but the gap between these two countries is not really as big as the press usually portrays it. Inflation rates are comparable. The Czech rate is only 1 percent lower than ours. The Slovak crown is stable, and our economy is growing faster.

The main difference is in the unemployment rate and the budget deficit. We have achieved an unexpectedly low deficit at 3 percent of GNP. The Czechs balanced their budget with privatization money twice and want to do the same once again. In Slovakia, Meciar's government has decided not to do that, so it will be extremely difficult to maintain the budget deficit at the present level.

As for unemployment, the Czech Republic still has to complete structural changes in the economy, and unemployment will inevitably rise beyond the absorption capabilities of small and medium-sized businesses.

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NATO Membership Called 'Political Issue'

AU1904134995 Budapest NEPSZAVA in Hungarian 18 Apr 95 p 12

[Interview with Ferenc Gazdag, director of the Strategic and Defense Research Institute of the Hungarian Army, by Irene Szabo; place and date not given: "Hungary and NATO"]

[FBIS Translated Text] [Szabo] Hungarian politics has overcome the dilemma connected with NATO membership. Only the referendum could block the positive answer. In your view, what are our chances of becoming a NATO member?

[Gazdag] If 16 people can lift a piano, they will not call for the seventeenth. A lot derives from this. For example, there is no situation in which a country becomes a security importer. In short, NATO provides security guarantees to those who do not need them. Our chances depend on the fulfillment of conditions, and we can reach this via a historical road.

[Szabo] The public thinks that NATO membership equals the fulfillment of conditions, modern military technology, army restructuring, and the unattainable billions needed for all this.

[Gazdag] The requirements for NATO membership are not classified in points, nor will they be expressed in points. The statute declares, however, that an analogous political system is a requirement for the member countries, namely democracy. Military suitability also starts from this social norm, and only a few technical requirements are added to this.

[Szabo] The key words are a democratic society and a democratic armed force. Formally, we already fulfill this requirement.

[Gazdag] The form is still empty. England filled this form with content in the course of 300 years. People in Hungary think that everything can be introduced by a mere decision, including democracy. I do not know why anyone thinks that we can save the transition period. About three election cycles are needed for society to reach a phase when people vote for something, and do not "punish" a government. It takes a lot of work to achieve an attitude of a responsible citizen in every democracy. One cannot shorten roads or skip steps or the time factor in historical rules. One cannot be surprised at the fact that privatization is an ugly process and that the first generation that acquires property is a robbing generation, and we can only expect the third generation to show signs of the moral requirement we stipulate.

[Szabo] The West treats the former Warsaw Pact countries alike. To what extent are we "identical" from the viewpoint of NATO membership?

[Gazdag] The West indeed treats the countries in the region alike—countries that are undoubtedly at a threshold. We want to advance, but we cannot do that without neighbors. Since the beginning of this century, Hungary has suffered through observing the ones behind it. In climbing the ladder, the problem is not only how to move to the next step, but also how we can drag the others up. It is unfortunate that, in seeking an answer connected to NATO membership, it turns out that we do not have any power to assert our interests. Horn goes to Yeltsin and the political ping-pong starts. Being in the middle of this region means that we are not regarded as a risk factor. Neither NATO nor the United States get alarmed by us. NATO membership has always been a political issue. If the Moscow coup in 1991 had succeeded better, we would have been a NATO member today.

[Szabo] There are serious debates on whether the policy of European integration is correct. In your view, is there any other alternative?

[Gazdag] Europe is militarily monopolar and economically bipolar. So, as part of Europe, we can only advance in the direction this continent is heading. By this, I also said that we do not have to go to Europe. We are in Europe. When our borders opened toward Austria, the people got into their Trabants and brought back refrigerators from Austria. This nation is clever. Our problem is that we got out of communism and, according to Furet, this is equivalent to going back in history. In our case, this is 1937. The threads that can be sought broke in that year. Impatience will not take us anywhere. The question is whether the Soviet empire left something useful, like things that we preserved from the old Roman law.

[Szabo] The Army regards NATO membership as a military affair. We learned that the military reform bill also focuses on this. The Warsaw Pact training that we have not yet overcome and the economic difficulties hardly favor the NATO evaluation of our army.

[Gazdag] The former Warsaw Pact armies do not turn into democratic armies overnight. In addition, this evaluation is connected with the big dilemma: What are the weapons good for? Our politicians should also answer this question. They should also tell us what they want to prepare the army for. It is no answer to say that the Hungarian Army is the means that can be used in case of certain conflicts when every other means has failed. The defense budget shows well that the politicians think that there is no danger. The Defense Ministry, however, does not have any bargaining power. So my answer is that NATO membership is a political issue, and not a military one. I would like to point out that, according to NATO evaluations, the Romanian Army is the most complete army in this region. We are in conformity with NATO only on a tiny point: namely, that we have a peacekeeping unit.

[Szabo] A considerable change in roles took place in NATO after the collapse of the Warsaw Pact. In what should we participate if the Hungarian dream of NATO membership comes true?

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[Gazdag] In dealing with the big problems of the world: keeping war out of Europe, protecting Europe from the damages of collapsing nuclear power stations, or efficiently using peacekeeping forces in crisis areas. Today, NATO compatibility depends on historical mentality, rather than on the make of machine guns. Not one of our important problems would be solved if we became a NATO member tomorrow. A political elite can be changed in a few days, but years are needed for the reorganization of the political structure, and decades for economic restructuring. The essential thing should be sought in the minds here too. As I already said, we must sweat out democracy ourselves.

Keleti Views Armed Forces Reform Process

AU1904152095 Budapest NEPSZAVA in Hungarian 19 Apr 95 p 12

[Interview with Hungarian Defense Minister Gyorgy Keleti by Antal Andrassy; place and date not given: "The Armed Forces Reform Is Overdue"]

[FBIS Translated Text] [Andrassy] At their latest meeting, Russian and NATO military experts allegedly discussed the possibility of nuclear weapons' being deployed in Hungary if this country joins NATO. What is your opinion about this?

[Keleti] There have been no such talks between NATO and Hungary; nor has the matter come up in the framework of the Partnership for Peace. This could be a negotiating phase in the process of joining NATO, if at all. However, the Hungarian Constitution clearly stipulates that the deployment of foreign troops on our territory absolutely requires the approval of the Hungarian parliament. So, it is too early to discuss the matter.

[Andrassy] Retired General Janos Sebok, a member of the parliament's Defense Committee, said that, instead of an ad hoc reduction in Army personnel, it would be more expedient to first determine the tasks of the Hungarian Armed Forces, and the planned reform should then be adjusted to this.

[Keleti] I agree with this. However, for this to happen, parliament must first discuss my report on the state of Hungarian defense and adopt the planned reform of the Armed Forces. We are losing hundreds of millions [currency not specified] because of the parliament's delay in doing this, because we cannot start the necessary changes and restructuring.

[Andrassy] However, you have already announced the reduction of 3,000 personnel.

[Keleti] Unfortunately, this is an economic need, because the supplementary budget is expected to withdraw 3 percent of the Army's annual allocations for wages. If parliament adopts this in May, our wage allocations will decrease by 6 percent monthly beginning with June. I would like to keep all 3,000 men, but we could not pay them wages.

[Andrassy] The relevant trade unions regard these measures as illegal.

[Keleti] The trade unions are doing their job, but instead of the preliminary statements, they should wait and see the actual circumstances of the drop in personnel. The employer commanders will carry comprehensive coordination in the middle of this week to make sure that the reduction in personnel planned for 1 July takes place according to the regulations.

[Andrassy] Gen. Sebok thinks that, in the course of the Armed Forces reform, it would be more expedient to count on a smaller army than planned, and strive for NATO integration with only a few brigades.

[Keleti] I also agree with this. But our technical means require large number of personnel and their maintenance needs many people. Therefore, unfortunately, we need an unhealthily large background organization to service the combat units. As for the future integration of the Hungarian Armed Forces, we have already marked the units that will participate in the cooperative training within the framework of the Partnership for Peace. These units are the following: the tank brigade in Tata, the rifle brigade in Hodmezovasarhely, one air wing, and the air defense control center. These units enjoy priority in creating NATO compatibility.

[Andrassy] Both the integration of the few brigades and the Armed Forces reform require considerable military technology development as well. In the well-known budget situation, where can you find money for this?

[Keleti] From the Russian debts to Hungary, at least $300 million go for developing Hungarian military technology. We also received an offer from the U.S. Administration to modernize our air defense control.

[Andrassy] Conscripts think less in terms of the distant future. They count their days of military service. Is it true that the regular soldiers will be discharged earlier this year?

[Keleti] Only a few days earlier. We will introduce the nine-month military service on a permanent basis beginning in February 1996, and this will take one year to complete.

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Walesa Accuses Russia of Playing Games

LD2004081595 Warsaw TV Polonia Network in Polish 0700 GMT 20 Apr 95

[FBIS Translated Text] President Walesa has not ruled out that Russia, knowing that the Polish president will not be coming to the Moscow ceremonies marking the end of World War II, has invited Prime Minister Jozef Oleksy to them instead. In an interview for "Wiadomosci," the president said that they are deliberately taking advantage of our "weaknesses and internal tensions."

[Begin recording] [Walesa] I have raised the issue that Poland has experienced Targowica [a plot to abolish the democratic constitution in 1792] many times, that Poland has been a pawn in games in which one group or another was being favored. I would like this to end, particularly at a time when we are marking the end of the war, when the Katyn accounts have not been settled—this event also bore the traits of Targowica. A game is being played with us. It is possible to play a game with us.

The president of the state says no and the prime minister says: Send me an invitation and I will come.

[Unidentified reporter] Do you think Russia is playing a deliberate game?

[Walesa] Our weaknesses are being taken advantage of, our old weaknesses. It is an old concept. It should not happen again. [end recording]

Walesa Wants To Dissolve Parliament

LD2004082795 Warsaw Polskie Radio First Program Network in Polish 0700 GMT 20 Apr 95

[FBIS Translated Text] In an interview with Polish Radio, President Lech Walesa said he would make every effort to dissolve the current parliament but will do so in keeping with the law.

[Begin Walesa recording] I will make every effort to dissolve this parliament as soon as possible because it does not reflect the spirit of the nation, although it is an outcome of democratic elections. And that is why I cannot violate democracy, and I shall not do it. On the other hand, I will be looking for every possible way because it really does not serve Poland well. It cannot serve Poland. On the other hand.... [pauses] but it is an outcome of democracy, and you cannot change it either with tanks or by violating the law. Of course, you have to be stern occasionally. [end recording]

President Lech Walesa said he did not want Prime Minister Jozef Oleksy to go to Moscow celebrations marking the 50th anniversary of the end of the war and did not rule out that he would request that the prime minister be brought into account before the State Tribunal if he went to Moscow against the president's will.

Speaking to Polish Radio, President Walesa said that there were attempts to play a game with Poland that resembled Targowica [it symbolizes high treason; a 1792 plot aimed at abolition of the democratic Polish Third May Constitution]. The president reiterated that Prime Minister Oleksy should not participate in the Moscow ceremonies of the 50th anniversary of the end of the war because of the future of Poland was at stake and because of the memory of the Katyn crime.

Lech Walesa said that he had not yet made a decision whether he would run in the presidential elections. He assured that he would put forward his candidacy when the time came and would offer effective solutions then.

Editor Condemns Walesa Ties to Oleksy

LD2004094395 Warsaw Radio Zet Network in Polish 0610 GMT 20 Apr 95

[Remarks by Ernest Skalski, deputy editor in chief of GAZETA WYBORCZA, in the studio—live]

[FBIS Translated Text] Good morning, ladies and gentlemen. It is sad but the pushing and shoving at the top is still continuing. The government has decided that Prime Minister Oleksy will represent it in Moscow. It is the same Prime Minister Oleksy whom the president allowed only to represent either himself or his own party.

The president seems to think that the scandal involving the remit of the Warsaw government is still not noticeable enough from abroad, so he has now decided to move a part of the spectacle to Moscow, where he is sending Minister Zakrzewski from his Chancellery. President Clinton is taking the trouble to go to Moscow, but for Walesa this is obviously too much trouble.

The prime minister wants to arrange an appointment with the president and for many days has been phoning him, but to no avail. He is unable to get past the secretary. The president's spokesman, Spalinski, has said on television that it would be better if the prime minister wrote a leter to the president instead of making all these phone calls, and emphasizes that the president is very busy.

It would be interesting to know what more important business the president has to attend to rather than discuss with the prime minister a conflict threatening the state. Perhaps not doing crossword puzzles?

Uncertainty Over Representation in Moscow

LD1904220595 Warsaw TVP Television Second Program Network in Polish 1900 GMT 19 Apr 95

[Relayed by Warsaw TV Polonia Network]

[FBIS Translated Excerpt] President Lech Walesa has decided that Minister Andrzej Zakrzewski [head of Walesa's chancellery] will represent him at the Moscow ceremonies marking the 50th anniversary of the end of World War II.

[Begin Zakrzewski recording] As a historian I can point out two examples. First, for ceremonies marking the 50th anniversary of the Warsaw uprising President Yeltsin sent

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Sergey Filatov, the head of the Russian president's staff and one of his closest collaborators. For ceremonies commemorating the liberation of Auschwitz President Yeltsin sent Russian Duma Speaker Rybkin. Because of the fact that Speaker Jozef Zych declined to go to Moscow, and he explained his decision, the president announced his decision to send me there. [end recording]

While talking to "Panorama," Sejm Speaker Jozef Zych said that he would accept the mission to represent Poland in Moscow only if he received support from all political parties. Although he declined once—at Thursday's meeting with the president—today he has not ruled out the possibility that he might change his mind. [passage omitted]

Unofficial reports from very reliable sources say that it is known that President Yeltsin refused to meet Prime Minister Jozef Oleksy at the ceremonies marking the anniversary of the end of the World War II. President Bill Clinton is reported to have reacted in the same manner. The government press office has refused to comment on this issue.

Zych Spurns Proposal To Go to Moscow

LD1904124595 Warsaw Polskie Radio First Program Network in Polish 1005 GMT 19 Apr 95

[FBIS Translated Excerpt] Parliamentary Speaker Jozef Zych has rejected the proposal by Lech Walesa that the speaker should represent the Polish authorities at the Moscow ceremonies to mark the 50th anniversary of the end of World War II. Jozef Zych would have gone to Moscow instead of Premier Jozef Oleksy.

Several days ago, President Lech Walesa refused the premier the right to appear in Moscow in an official capacity.

Speaker Jozef Zych said in an interview for Polish Radio that ceremonies were also taking place in Poland on 8 May, which he must attend. There will be a joint sitting of both houses of parliament on that day. [passage omitted]

Oleksy on Meeting With European Parliament Head

LD1904192195 Warsaw Polskie Radio First Program Network in Polish 1700 GMT 19 Apr 95

[FBIS Translated Text] [Announcer] Klaus Haensch, president of the European Parliament, who is paying a visit to Warsaw, has said he is very impressed by the progress Poland has made in adapting to the European Union, primarily in the sphere of law. After a meeting with Klaus Haensch, Prime Minister Jozef Oleksy said they were both in agreement as regards Polish measures to speed up privatization, to reform the taxation system, to decentralize administration, and to introduce transformations in agriculture.

[Begin Oleksy recording] Mr. President has pointed out areas where the EU has doubts whether Poland is ready, or when it will be ready, to become a member. He mentioned four areas: the issue of privatization and its pace, the issue of reforming the taxation system, the reform of the administrative center, and decentralization of the state, and agriculture.

In our opinion, when it comes to agriculture, some adaptation must also occur on the part of the EU, as Poland is not capable of taking on the burden of EU protectionism. Also, we have agreed that the EU will have to take such measures. However, we hope that in the area of agriculture Poland may become a full EU member with a set additional period to adapt its agriculture. [end recording]

[Announcer] Klaus Haensch said that negotiations on joining the EU by Poland and Central European countries will start very shortly after the EU review conference. The conference will start next year and will take about 12 months.

St. Catherine's To Name Presidential Candidates

WS1904143995 Warsaw RZECZPOSPOLITA in Polish 19 Apr 95 p 2

[Article by "M.D.Z.": "St. Catherine's Convent Wants To Meet With Strzembosz: Candidates by the End of May"]

[FBIS Translated Text] *Father Jozef Maj, prelate of St. Catherine's parish, is to receive a list of presidential candidates from the Coordinating Team of St. Catherine's Convent by 31 May. The team (currently made up of the Confederation for an Independent Poland, the Christian-National Union, the Party of Christian Democrats, the Polish Peasant Party-Peasant Agreement, parties grouped within the Secretariat of Center Right Groupings, and "Solidarity" as an observing member) has set the criteria which should be met by the candidate to the highest state office. It wants to meet with Professor Adam Strzembosz in the near future.*

Until the end of May, Father Maj will be collecting names of candidates which can be suggested by all parties within the Coordinating Team. The candidate appointed by the Team may not be anyone who belonged to the Polish Workers Party, the Polish United Workers Party, or the secret services of the Polish People's Republic. He must submit a written consent to run for president and, in case someone else is elected by the Coordination Team, place himself under obligation to support that candidate's election campaign. The team has also agreed that the candidate must accept the basic principles of the citizens' draft of the Constitution and other drafts developed by rightist political groups.

In a session held before Easter, politicians from the Coordination Team of St. Catherine's Convent were unable to reach agreement as to the method by which the presidential candidates are to be nominated. Most probably, however, preelections held by "Solidarity" are out of the question because, as President of "Solidarity" Marian Krzaklewski and the union's Spokesman Piotr Zak pointed out at the meeting, the presidential elections

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were not on the agenda of the trade union's congress. The principles of nominating presidential candidates are to be laid down over the next few days. The rightist parties will most probably first choose the best candidate of all those listed, and if that fails, a "conclave" will be held for the two or three candidates considered the best. They will have to make the decision themselves, in the presence of a representative of the Church and "Solidarity."

The Coordination Team wants to meet with Professor Adam Strzembosz as soon as possible. It is also planning to convince Lech Walesa to run in the second round of the preelections (in the "conclave"). This would give the current president an opportunity to back out of the race with dignity. According to many center-right politicians, Walesa has no chance of winning.

Poll on Standings of Candidates

LD1904162195 Warsaw PAP in Polish 1203 GMT 19 Apr 95

[FBIS Translated Text] Warsaw, 19 Apr—According to the most recent poll by CBOS [Public Opinion Research Center], 24 percent say they are ready to vote for Aleksander Kwasniewski in the presidential election. This is a 6-percent increase for him over the previous poll.

Jacek Kuron [Freedom Union] can count on 15 percent of the votes, more or less the same as in the poll at the end of March/beginning of April. Lech Walesa has consolidated his third place, with support for him rising from 7 to 11 percent. Eight percent of voters want to vote for Tadeusz Zielinski, Adam Strembosz, and Andrzej Olechowski, 6 percent for Jozef Oleksy, and 5 for Waldemar Pawlak.

Sixty-seven percent of those polled say they will participate in the election.

Freedom Union's New Direction

95P20717A

[FBIS Media Note] The second national congress of Freedom Union (UW)- -the centrist party that has roots in the Solidarity movement and is currently the main opposition party in the Sejm—has been widely discussed in the Polish press. In addition to adopting a program that reafirms UW's commitment to the reform, the 1-2 April congress elected Leszek Balcerowicz as leader, replacing former Prime Minister Tadeusz Mazowiecki, and named Jacek Kuron, former minister of labor and social policy, as the party's presidential candidate. According to several press commentaries, including Igor Zalewski's in the 3 April issue of ZYCIE WARSZAWY, the congress hoped that Balcerowicz, a former finance minister and author of Poland's economic shock therapy, who became a member of the party just a month and a half ago, will bring new dynamics to the party, whose political diversity appeals to both its left- and its right-oriented electorate. Although the congress had expectations that the new leadership would consolidate the party's disparate factions, some observers think the opposite may happen, Zalewski indicated. Under the scenario feared by some UW sympathizers, if Balcerowicz's pragmatism leads him to form a coalition or even a short strategic alliance between UW and the governing Democratic Left Alliance (SLD)—accommodations that were so strenuously avoided by Mazowiecki—the center-right-oriented politicians would leave UW, causing the party to split.

Even before the congress, the press speculated about whether UW's internal political changes would lead to the "Hungarian Syndrome," referring to the governing coalition formed in Hungary between the postcommunists and the Alliance of Free Democrats, which at the time of the system change had adopted a strongly anticommunist position. For example, commentator Jacek Maziarski expressed concern in the Catholic Warsaw weekly LAD on 26 March that UW would move to the left, asserting that the party will have to "summon up enough courage to define its own ideology and political identity" because it cannot go on representing both "a version of social democracy" and the "center right." The party has to decide, Maziarski postulated, whether it is an "opponent" or a "potential partner" of the SLD, and whether it is the party of such anticlericals as Barbara Labuda, the UW deputy known for her antichurch, proabortion stance, or the party of people who "identify with the church's teaching." In Maziarski's opinion, the only alternatives for UW are to split "into the party of Mazowiecki and Suchocka and the party of Kuron and Labuda" or try to maintain the party's unity while covering up its internal divisions. Maziarski indicated that the party's factions would perhaps temporarily "gloss over" their differences, but he expressed concern that the social-democratic faction would end up in the dominant position and would lead UW into an alliance with the SLD. Such a step would be a "political catastrophe" for UW because, as the weaker partner in the government, it would be marginalized and would perhaps even become a "drudge" or a "servant" of the postcommunists, Maziarski said.

Press reporting after the congress supported Maziarski's expectation that the congress would deepen the party's internal divisions and change its orientation. Although Suchocka said that she and Mazowiecki "are here in the party" and are "making efforts to consolidate it," as reported by Eliza Olczyk and Marcin Zdort in the 4 April issue of RZECZPOSPOLITA, press commentaries indicated that the victory of Kuron over Suchocka and Janusz Onyszkiewicz, former minister of national defense, in the election of UW's presidential contender, together with electing Balcerowicz as new leader, may indicate a significant change in the party's strategy. For example, in a 3 April article, ZYCIE WARSZAWY's Igor Zalewski openly suggested the possibility that UW would now seek a "historical compromise" with the SLD, a compromise Mazowiecki "would have found very difficult to make" but that, "for the technocrat Balcerowicz," would be "no great tragedy." Zalewski indicated in his report that the political parties to the right of UW also noted that "UW had moved to the left" at the congress and

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were pleased with the development because it leaves more room for them on the political spectrum.

Despite these interpretations of the UW congress results, the party reaffirmed its adherence to reform in the program adopted at the congress. As related by Panorama Second TV Network on 3 April, in the economic charter adopted by the congress, UW stated that "economic freedom is the foundation of market order and one of the basic civil liberties that must be guaranteed by the Constitution." The party favors low taxes, economic entreprenuership, the protection of private property, and "honest" competition. The political agenda included the declaration that the state will ensure strong and limited executive authority as well as efficient and controllble administration, and that it will provide citizens with safety and stability guaranteed by law. The UW delegates also expressed strong support for faster reformation of the social security and health service systems.

Interview With New Leader

WS1904100695 Warsaw POLITYKA in Polish 15 Apr 95 p 4

[Interview with the Freedom Union head Professor Leszek Balcerowicz by Jerzy Baczynski; place and date not given: "The New Balcerowicz Plan"]

[FBIS Translated Excerpt] [Passage omitted] [Baczynski] What sort of opposition will the Freedom Union [UW] be under your leadership?

[Balcerowicz] We will protest whenever the government or the coalition acts against what we see as state interests. As a former athlete, I can promise you fair play: we will not attack the government for anything that is reasonable.

[Baczynski] Let us verify that declaration on the example of your successor, Deputy Prime Minister and Minister of Finance Professor Kolodko. What do you approve and disapprove of in his policies?

[Balcerowicz] This would require a more lengthy comment. To put it shortly: I always was, and continue to be against the so-called mass commercialization of state companies. I have many doubts about the tax and anti-inflation policies. At the same time, however, I support attempts to limit the state budget deficit and ease the burden of the public debt.

[Baczynski] [Head of the Union of Labor] Ryszard Bugaj claims that the fact that you have taken over as the leader of UW implies that the party has cut itself off from the possibility of forming any parliamentary alliances except for a coalition with the Democratic Left Alliance [SLD]. What do you think?

[Balcerowicz] Ryszard Bugaj wants to prove that UW is now shifting "to the right," leaving more room for his party. Some so-called rightist politicians, on the other hand, accuse me of being leftist. These are typical political games.

[Baczynski] How do you think UW should be defined after the last party congress? Every party must define itself in some way.

[Balcerowicz] If I were to label UW somehow, I would say it is a party of reforms and development.

[Baczynski] Let us formulate a more precise definition: what social groups is the party addressing with its program, where does it intend to seek its constituency?

[Balcerowicz] First of all, as various surveys show, UW has its own natural constituency: a huge and continually growing group of people—from various strata of society—who claim the transformations that took place after 1989 made sense and had a positive impact on the country and on them individually, and that regaining our sovereignty was worth it.

The second group is the natural constituency of other parties which may be convinced—at least partially—that UW can represent their interests more efficiently. I am deeply convinced that Polish rural communities would benefit far more from the UW program than from that of the Polish Peasant Party [PSL] because we emphasize modernization, change, and adaptation, while PSL is becoming increasingly involved (and is involving the state budget) in retaining the current status quo. Finally, there is the third group, the indirect constituency, comprised of those yet undecided. Spheres of interests of various parties intersect here. This group should be more closely examined—through professional research methods, not only intuitively—and we should highlight the parts of our program that they will find most appealing.

[Baczynski] Do you recognize the group of voters which many politicians refer to as the "post-August camp"?

[Balcerowicz] There is undoubtedly an emotional sense of having common roots among the former opposition. It is difficult, however, to find any coherence on other planes. On the contrary, there seems to be more hostility among certain groups within this camp than between the entire camp and the so-called postcommunist formation. I am open to negotiations with anyone who feels part of the "Solidarity" of old, but simultaneously advocates reforms and development.

[Baczynski] Does this apply also to the national, anticommunist, and Christian right?

[Balcerowicz] To the extent that it complies with the concept of an efficient, open, competitive, and private economy and a tolerant state.

[Baczynski] Since we are talking of the UW's political image, many observers claim contradictory signals were sent at the last party congress when you were elected as head of the party, and Jacek Kuron was fielded as the presidential candidate. How can you reconcile Balcerowicz with Kuron?

[Balcerowicz] I do not think we differ regarding objectives.

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[Baczynski] That means that differences may pertain to details and methods. The presidential program and campaign tactics of Jacek Kuron will undoubtedly have an impact on UW's image, yet I cannot imagine Kuron seeking your approval of the contents, style, and message of his speeches. That could lead to tensions.

[Balcerowicz] I have no reasons to assume that Jacek Kuron's campaign will contradict the party program. It is also his program. [passage omitted]

[Baczynski] What form of reprivatization do you advocate: in kind or through coupons?

[Balcerowicz] Compensation should be in kind wherever possible, other types of compensation should apply in remaining cases, under the condition that this does not exceed the financial capability of the state, or, to be more precise, the limit to which remaining citizens are capable of bearing the burden. [passage omitted]

[Baczynski] I would like to end with one final question, one you are probably most frequently asked, on the possibility of a coalition between UW and SLD.

[Balcerowicz] UW's top priorities are internal consolidation, development, and, as a natural result, improving results in the next parliamentary elections. A stronger UW will be a stronger political partner. For whom? For those groups with which we can implement our program most fully. I truly believe political decisions can be made rationally.

[Baczynski] Thank you for the interview.

Opposition Leader on Effectiveness of Shock Therapy

AU1904085295 Budapest NEPSZABADSAG in Hungarian 14 Apr 95 p 9

[Interview with Freedom Union Chairman Leszek Balcerowicz, former finance minister, by Zoltan Szalai in Warsaw; date not given: "Without Shock Therapy We Would Be Now at Romania's Level"]

[FBIS Translated Excerpt] [Passage omitted] [Szalai] The shock therapy was strongly criticized at its introduction. Where did you find the courage for this decision?

[Balcerowicz] It was not a difficult decision. It was much more difficult to accept responsibility for managing an economy on the brink of bankruptcy. Poland had two choices: the hopeless road of gradual changes or the risk of shock therapy. It is not difficult to choose between hopelessness and risks.

[Szalai] The time of economic restriction has also come for Hungary. What is your opinion about the latest package of measures of the Hungarian government and what advice would you give them?

[Balcerowicz] Although I am not familiar with the details, I think these measures were necessary in any case because, otherwise, the situation would have continued to deteriorate. Only radical decisions can guarantee the defeat of the current Hungarian economic crisis. Of course, the situation is not as serious as the conditions prevailing in Poland in 1989, but firm steps had to be made anyway. Economic restrictions had to be instituted not only in Hungary: The Swedish Government is also reducing its expenses.

[Szalai] Would you suggest shock therapy for Hungary?

[Balcerowicz] Hungary does not need a shock therapy like the one needed in Poland in 1989. The situation in Poland, aggravated by hyperinflation, was indeed dramatic.

[Szalai] What is your opinion about the current state of the Polish economy? What are the positive and negative phenomena?

[Balcerowicz] I regard the dynamism of the Polish economy as something very positive. Our foreign trade indicators are also very good: Our exports grew by more than 20 percent in 1994, and our foreign trade balance also improved. At the same time, the continued high rate of inflation is alarming, and one cannot see any clear decreasing trend in the offing. Another negative phenomenon is that certain basic processes have slowed down or have not advanced at the desired pace. I mean here primarily some areas of privatization, the self-government reform, and the reorganization of the pension and wage system, something that has already been started in Hungary. As a whole, however, and compared with other countries, I can say that the position of the Polish economy is good. [passage omitted]

[Szalai] Waldemar Pawalk's government slowed privatization down. In your opinion, will the new Oleksy cabinet accelerate the privatization process?

[Balcerowicz] In its statements, the new government took a stand in favor of accelerating this process. If this is a responsible cabinet, it will fulfill its promise. I hope Oleksy and his team will make up for the delay. [passage omitted]

[Szalai] A large section of Polish society paid a considerable price for the reforms: The unemployment rate is 16 percent. How can one deal with this problem?

[Balcerowicz] If we speak of the social expenses of the reform, we must always compare this with the price society would have paid if these changes had failed to materialize. Had we failed to carry out this shock therapy in Poland, we would now have a situation similar to the one prevailing in Romania today. As for the unemployment rate, this is a serious problem indeed, and we can only fight this successfully by concluding the reforms as quickly as possible. A successful economy can offer an increasing number of increasingly productive jobs.

[Szalai] How do you envisage the possibilities of bilateral cooperation in the framework of the Central European Free Trade Association [CEFTA]?

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[Balcerowicz] This, too, depends primarily on the success of the reforms. I am convinced that, in the framework of the CEFTA cooperation, we must liberalize trade to the same extent as the conditions under which our countries trade with the EU countries in the framework of the association agreements.

[Szalai] When can Poland and Hungary become EU members?

[Balcerowicz] Membership requires first of all the fulfillment of certain political and economic conditions: The concrete timing of both countries' membership depends on this. The EU will gladly accept countries where economic success is coupled with a stable political atmosphere. They do not want to import problems. Therefore, we must strive to create macroeconomic stability, economic development, and a well-functioning democracy.

Ministries Disagree on Pension Reform Costs

WS1904143895 Warsaw GAZETA WYBORCZA in Polish 19 Apr 95 p 3

[Report by Natalia Skipietrow: "The Government Is For Pension Reform, But...: An Argument Over 400 Million Zlotys"]

[FBIS Translated Text] *The Council of Ministers adopted a draft document yesterday on social security reform presented by the Ministry of Labor. The Ministries of Labor and Finance are to explain the divergency in calculations of the cost of reforms within one week. Once they do, the project may be submitted for public consultation.*

The Ministry of Labor is suggesting a three-level security system: a basic pension for everyone (30 percent of the average salary), a pension dependent on the premium paid and the duration of employment for those employed for a period of more than 15 years, and additional remuneration for those volunteering to pay an extra premium.

Estimates of the Ministry of Finance indicate that the costs of introducing the new system amount to 400 million zlotys more than calculations carried out by the Ministry of Labor (the controversy pertains to 1 percent of all payouts in the new system). Both ministries are to explain the difference within one week and calculate the cost of valorizing state pensions in two variants: on the basis of prices, and on the basis of earnings.

The Labor Ministry wants the state pensions (the social security payments) to be valorized according to prices, so that they would not depreciate in value. The pension depending on the premium paid should be valorized on the basis of earnings, so that people who were employed for more than 15 years could share in the overall growing wealth of society, to which they also contributed. Head of the Office of the Council of Ministers Marek Borowski suggested the opposite: the state pension should be valorized according to salaries, and the social security payments—according to prices.

One way or the other, we will have a mixed price-and-earnings system. The project of the Finance Ministry, valorizing entire pensions according to prices, will probably not be approved (the government submitted the project to the Sejm as far back as five months ago).

The labor minister is to define the principles of consultations—whom they are to be held with and how—by Tuesday. The draft reform bill has a chance of making it to the Sejm in July or August. Labor Minister Leszek Miller and Finance Minister Grzegorz Kolodko stressed that switching to the new system may take longer than a dozen years.

ZYCIE WARSZAWY Commentary

WS1904150795 Warsaw ZYCIE WARSZAWY in Polish 19 Apr 95 p 1

[Commentary by Krzysztof A. Kowalczyk: "We Will Pay More"]

[FBIS Translated Text] One must admit that Oleksy's government was very bold in undertaking a sensitive issue like the social security reform in the year of the presidential elections. There are, however, limits to boldness. Nearly nine million votes from old age pensioners will probably cause the government to choose the variant of increasing the majority of social welfare benefits (for instance by increasing the payment on premiums to 1.25 percent instead of 1.1 percent for each working year), and expanding the group of those eligible (pensions paid out to everyone from the state budget). The reform that was targeted at lowering the costs of social security will cause it to become more expensive instead. The state will have to provide 4 trillion old zlotys more from the Social Security Agency [ZUS] than it currently does.

Chances for lowering taxes are waning. The horrendous premiums paid to ZUS are also unlikely to decrease. Moreover, contrary to projects presented by liberal economists, there seems to be no chance for the premiums to be capitalized and multiplied to the benefit of future generations of old age pensioners in investment funds. Such funds will provide an alternative only to those in the high income groups, who can afford to pay additional premiums.

The highlight of the project is to be the abolition of the burden of such privileges as early retirement plans for the military or for miners. Employers will be able to buy their way out by paying higher premiums. Considering that this would have to be done by the state budget in the case of the military, and that coal mines do not pay for ZUS as a rule, we will all pay for the privileges of the few. The costs thus continue to grow.

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Hospitalized Minister Might Undergo Surgery

AU2004074795 Bucharest EVENIMENTUL ZILEI in Romanian 18 Apr 95 p 8

[Article by Doru Dragomir: "Following a Strong Gall Bladder Attack, Defense Minister Gheorghe Tinca To Undergo Surgery"]

[FBIS Translated Text] As we already reported in our 15-16 April issue, Gheorghe Tinca, minister of national defense, was hospitalized urgently at the Central Military Hospital. He was diagnosed as having gall bladder pains.

The chief of the Armed Forces Press Office refused to provide any information regarding Minister Tinca's hospitalization. Some people claim that the defense minister's health condition worsened also because he was excessively tired.

Following thorough checkups, it is possible that the defense minister will be submitted to surgery.

Tinca Views Military Ties to Russia

AU1904191195 Bucharest ADEVARUL in Romanian 12 Apr 95 p 2

[Interview with National Defense Minister Gheorghe Tinca by Romulus Caplescu; place and date not given: "The Warsaw Pact's Time Is Long Since Past"]

[FBIS Translated Text] [Caplescu] How would you assess, generally, your talks in Moscow [5-7 April]? What was the atmosphere like?

[Tinca] The talks were useful—not so much because we presented our stands, which were known, but because the talks were sincere, open, and civilized. Nobody pounded the table with his fist. The delegation was paid due attention and respect. The Warsaw Pact's time is long since past and I believe that there are very few people left who still long for it. Reality is what matters in politics. I think there are many people there who want to build new relations with the East and Central European countries. The Warsaw Pact was abolished according to the will of the respective parties, including the USSR, and I do not think Russia has reason to regret it. Maybe it rid itself of certain problems that would have further complicated its life.

We agreed that we must continue the talks, which are essential if we want to acquire a better perception of the other side's intentions, of domestic changes, and, particularly, of changes taking place in the world. There is an obvious need for dialogue, including with Russia, because reality dictates that it participate in Europe's infrastructure. I believe Russia will realize that nobody neither wants to nor can isolate it. It is in nobody's interest for the situation in Russia to become even more unstable. If extremist, fascist, or totalitarian forces come to power, others will suffer too.

[Caplescu] How much of your discussions referred to the issue of NATO's expansion?

[Tinca] We were told several times that Russia has no problems with the desire of the eastern countries to join NATO. They are sovereign states and can act as they see fit. However, we were told that NATO's existence can no longer be justified—as long as the confrontation partner, the Warsaw Pact, no longer exists. However, I believe that this is an area in which there is room for further discussion.

We presented our position and emphasized the fact that integration into NATO is an integral part of a broader process of integration into Western structures. We are not integrating ourselves into an organization that is hostile to Russia. No country in Europe wants that. NATO should no longer be seen as it was during the confrontations between the military blocs.

Second, Russia is a great power and can take care of its own security by itself. We are a smaller country, and must associate ourselves with others. However, integration within NATO should be limited solely to its purely military and security aspects. It is more complex. One cannot think of it in terms of the old cliche—namely: "if you're not with us, you're against us." One cannot attach stereotypical labels of the kind of rationalization used during the cold war to our NATO participation.

[Caplescu] What is Plesetsk?

[Tinca] A space center from which space equipment is launched into space. It also plays a military role in Russia's strategic system, to the extent that it also shelters intercontinental ballistic missiles. I was told that our invitation there was a first, and was proof of openness and friendship as well as evidence of Russia's desire to no longer hide itself, and, instead, build relations of trust. We must confess that all this is new.

[Caplescu] Might not one read into it the intention of the Russians to tell us: "Dear Romanian friends, if you want protection, do not forget that we also have appropriate means; come, take a look, and convince yourselves?"

[Tinca] This might be one interpretation, but it would be illogical and crude. It would mean that we should remain in positions of suspicion and distrust at a time when Russia's positive gestures must be encouraged. What I saw at Plesetsk does not concern Romania's security. Those weapons are directed toward targets in other zones. However, they reinforced two of my convictions: namely that Russia is a great power and has the necessary means to take care of its own security itself; and that there must be a special link between Russia and the United States in the nuclear sphere, to the benefit of us all. Anyhow, it is quite impressive to see nuclear weapons. Maybe the journalists should have seen them, too. They would know what they were talking about, when they write about them.

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[Caplescu] Let us talk about our needs. Are we going to buy something from the Russians?

[Tinca] We would like to buy many things, but we must limit ourselves to our urgent needs. We have problems with the air force, of which you are all aware. We must have more planes so as not to rapidly wear out the ones we currently have through the increase in the number of training flight hours. We need spare parts and we will purchase them. We are interested in completing our fleet of MiG-29 planes, in the not-too-distant future, since this is a good performance plane. We want to buy as much as possible with the little money we have. We were also told about the possibility of having access to communication satellites, but we did not go into details on this matter and hence did not negotiate it.

[Caplescu] Did you talk about the Republic of Moldova and the presence of the 14th Army there, as well as about the basic treaty with Russia?

[Tinca] Both are political and diplomatic problems and I had no mandate to discuss them. We addressed these subjects in a general manner, with both sides reiterating their known positions. Russia is in favor of withdrawing the 14th Army. It claims that there are only about 5,000 soldiers left, very few of whom are Russians, and that the main problem is the withdrawal of huge quantities of armament and ammunition still deployed there. We were told that Russia wants to strengthen the sovereignty of the Republic of Moldova and that the Ilascu case must be solved by legal means.

Officials View Military Education Restructuring

AU1904161995 Bucharest EVENIMENTUL ZILEI in Romanian 14 Apr 95 p 2

[Article by Radu Tudor and Doru Dragomir: "National Defense Ministry and Military Education To Be Reorganized"]

[FBIS Translated Text] There was a meeting of the Higher Military Council of the Armed Forces on Wednesday, 12 April. The meeting was attended by National Defense Minister Gheorghe Tinca and Colonel General Dumitru Cioflina, chief of the Armed Forces General Staff. President Ion Iliescu, Prime Minister Nicolae Vacaroiu, Radu Timofte, Petre Roman, and Army General Vasile Ionel attended as guests.

Reports presented during the meeting included "Concepts To Reorganize Military Education" and "The Phase Reached in Implementing Supreme Defense Council Decisions on Army Reorganization."

Of the aforementioned two projects, our daily selected the new elements to be instituted in the military system.

There Will Be No More Specialized Institutions in the Romanian Military Education System

The reorganization of the Romanian military education system is a very complex process that is expected to take a long time.

They will reconsider the education system at the High Military Studies Academy, Military Engineering Academy [Academia de Tehnica Militara], the Mircea cel Batran Naval Academy, and other higher institutions of higher education. All military schools are to be reorganized. The number of military high schools is to be cut considerably.

No candidates will be admitted this year to the High Military Studies Academy.

The new military education system will be inaugurated beginning with the 1996-97 university year. There will no more specialized institutions concentrating in particular military fields. In the first three years, the students will study the same subjects regardless of military specialty. This is to be followed by an exam testing the abilities of the candidates. Finally, in the fourth year, they are to attend special training courses (for each military specialty.)

The aforementioned four years of study are to be followed by schooling with practical drills, intended to be a kind of laboratory for the young officers, to try their hand at commanding military units.

After all this, according to the new education system, the young graduates will be accorded the rank of second lieutenant, which is to be reintroduced in the Romanian Army.

The High Military Studies Academy will have two-year courses. During the first year the students will attend identical courses; the second year will encompass specialty courses.

According to new proposals by MApN [National Defense Ministry] experts, the National Defense College will act as the highest military education institution in the country. The National Defense College will retain its current postuniversity nature, its courses being intended to further train military and civilian persons in the area of defense, strategy, and national security.

Four Budgets Were Elaborated Depending on the Money That Is To Be Allotted

Yesterday in Bucharest, the the leadership of the Armed Forces General Staff held a meeting with the foreign military attaches accredited to Bucharest. Colonel General Dumitru Cioflina summarized for them the various issues connected with the reorganization of the army, the budget allotted to the MApN, and the current armament reduction phase. Army restructuring was accomplished on the basis of decisions made by the Supreme Defense Council. General Cioflina admitted that over the past two years the defense budget has increased at a rate exceeding inflation, but still remains below the requirements of the Army. This is why the ministry's Planning Directorate had to elaborate four different financial plans, depending on the amount of money to be allotted.

They Sanctioned the Timetable for Destroying Military Equipment

In connection with the destruction of armaments, last week they sanctioned the timetable according to which

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materiel is to be sent to the special units specializing in such operations. According to this timetable, this year they will complete the final stage of the arms reduction process, which, quantitatively, is also the most important phase, as it involves 40 percent of the total amount of materiel that must be destroyed. General Cioflina said that the available financial resources earmarked for equipment destruction might not be enough to follow the schedule precisely.

There Will Be a 20-Percent Cut in Officer Positions

Lieutenant General Nicolae Schiopu, the Army General Chief of Staff's first deputy, detailed the new MApN structure to the foreign attaches. In order to fulfill the current organization scheme in the ministry they cut 723 posts and will cut officer positions by a further 20 percent. In the future, the Parachute Troops Command is to be transferred and made subordinate to the Land Forces General Staff.

According to latest assessments, the reorganization of the MApN will be fully completed by 1 August this year.

The Vast Majority of the Defense Industry May Be Transferred to the Civilian Industry

Lieutenant Colonel Peter Davies, military attache of the British Embassy, wanted to know whether military industry will be privatized and what the percentage of civilians in the ministry's decisionmaking structures is. In response, General Cioflina said that in the future, the vast majority of defense industry units may possibly be transferred to the civilian industry. Civilian personnel in the ministry's decisionmaking structures will reach 4-5 percent of all personnel.

By the end of 1995, the number of positions paid from the Army payroll will be limited to 230,000 and there are plans to further reduce the number of such positionsto 195,000 within the next five years.

At the MApN, 100 military positions were turned into civilian ones.

Beginning this year, they also plan to cut by 5,000 the number of persons enlisted each year.

Next Week They Will Forward to Parliament the New Draft Bill on the Organization and Functioning of the MApN

General Cioflina said that in the future, 70-75 percent of the military industry will be transferred to civilian, and especially private, industry.

The new draft bill on the organization and operation of the MApN will be forwarded to parliament next week. This document, sanctioned by the Supreme Defense Council and the government, mentions the option favoring civilians to head the MApN, also saying that the directorates for military education, culture, public relations, planning, and psychological assistance for the troops are to be manned mainly by civilian personnel.

'Concerted' Opposition Action Agreed Upon

AU1904185595 Bucharest Radio Romania Network in Romanian 1700 GMT 19 Apr 95

[FBIS Translated Text] The Democratic Convention of Romania [CDR] and the Democratic Party [PD] agreed during today's meeting between the leaders of the two political groups—Emil Constantinescu and Petre Roman—to initiate a series of concerted actions by the democratic opposition on the basis of a minimal program. This includes cooperation in parliament, at the local administration level, and on the electoral plane. They decided to urgently update the joint program intended to pull Romania out of the current crisis.

They also agreed to establish a timetable according to which the contacts at various levels between the CDR and the PD are to be continued.

The PD will support, in the runoff, the CDR candidate for the mayoral office of Targoviste town.

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Social Democrats Condemn French Policy

AU1904154295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 19 Apr 95

[Report by Salih Brkic on the news conference of the Social Democratic Party of Bosnia-Herzegovina in Tuzla on 19 April—recorded]

[FBIS Translated Text] The international community has not used the cease-fire in Bosnia-Herzegovina to find a solution [words indistinct]. After expressing their sincere condolences to the families of the killed soldiers and the French Government, the party stressed France's unjustified policy which is confusing issues and is trying to force our government to agree to unacceptable political options. As one of the world's leading powers, instead of calling for military strikes against Karadzic's chetniks who are capturing and humiliating UN Protection Force troops, firing at them, and are preventing the delivery of humanitarian aid, France is manipulating the situation in Bosnia-Herzegovina precisely at the time of the election campaign.

The Contact Group has a similar attitude. It is trying to legitimize concessions for Milosevic although it is clear that the peace process will not move forward unless even stricter sanctions are imposed. This was stated at today's news conference of the Social Democratic Party of Bosnia-Herzegovina's Main Committee which took place in Tuzla.

Gobillard on French Presence

BR1904140795 Paris LIBERATION in French 19 Apr 95 p 8

[Report on interview with UNPROFOR French General Gobillard by Jean Hatzfeld in Sarajevo; date of interview not given: "The Blue Helmets From Day to Day"]

[FBIS Translated Excerpt] [Passage omitted] What would the Blue Helmets' withdrawal from Sarajevo signify? General Gobillard answers: "The Blue Helmets' withdrawal would signify a terrible increase in military activity between the two sides with tragic consequences for the population. This does not signify that we must remain. The decision to stay or to withdraw belongs to the politicians only. My role is to estimate whether the conditions for the accomplishment of the mandate which has been entrusted to me are acceptable. And to express my opinion to the politicians."

Today, the roads are blocked, the airport is practically paralyzed, fighting is starting again on the hills, and the city is often threatened by shelling or sniper fire. Are these conditions acceptable, and do they justify the deployment of the Blue Helmets and, as a corollary, losses among them? Gen. Gobillard does not hesitate: "I think that, today, our mission is still efficacious. Under circumstances which everyone knows about we can still consider our presence as being useful." When therefore, from a military point of view, will these circumstances become unacceptable? Gen. Gobillard continues: "We accept every difficulty, and the idea of sacrifice as well. But when a soldier for peace is deliberately assassinated, that goes beyond the limits of what is acceptable."

French Barracks Fired On

AU2004074895 Paris AFP in English 0736 GMT 20 Apr 95

[FBIS Transcribed Text] Sarajevo, April 20 (AFP)—An 82-mm mortar shell slammed into the courtyard of barracks housing French UN soldiers here, damaging several vehicles but causing no injuries, a UN Protection Force (UNPROFOR) spokeswoman said Thursday.

The attack against Tito Barracks, located near the confrontation line a short distance from the downtown area took place Wednesday evening, Captain Myriam Sochacki said. One side of Tito Barracks is held by Bosnian Government soldiers and another by French UN soldiers.

It was not immediately known if the French UN troops had been directly targeted and the origin of fire was unknown, Sochacki said. The attack, according to observers here, might have been deliberate as the mortar shell fell directly into an inside courtyard not normally exposed to gunfire from the nearby confrontation line.

On Friday and Saturday, two soldiers serving with the French contingent were deliberately killed by sniper fire in different parts of the city.

More on French Soldiers

LD1904132995 Belgrade TANJUG in English 1220 GMT 19 Apr 95

["Pool" item by Vjekoslav Radovic]

[FBIS Transcribed Text] New York, April 19 (TANJUG)—The recent killing of two French U.N. peacekeepers will, as it seems, prove to be another case of the concealment of the truth about crimes in Bosnia-Herzegovina.

Serbs were accused first, as usual. Next, it was said that both the Muslim and Serb sides could be responsible. And, finally, the official version came that the investigation was unable to establish who the perpetrators were. French Foreign Minister Alain Juppe, whose country has requested an emergency U.N. Security Council session because of the killing of two of its soldiers, has said he believes the Muslim side was responsible for at least one of the two deaths.

The killing for which the Serb side has been blamed has been filmed by Muslim TV cameras which 'happened' to be at the scene just as on many other similar occasions, including the bread-queue massacre in Sarajevo in May 1992 and the massacre at Sarajevo's markale open-air market in February 1994. The killing of the two French U.N. troops has placed in question the continued presence of the French contingent in Bosnia-Herzegovina.

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France has called on U.N. Secretary-General Butrus Butrus-Ghali to propose measures for the protection of U.N. peacekeepers.

France's other two conditions are that the warring sides extend the four-month ceasefire agreement which expires on April 30 and resume the peace process. Juppe has failed to present the fourth condition—probably the most important one—that the international community stop concealing Bosnian Muslim crimes against their own people and U.N. peacekeepers.

It is true that Juppe has said that U.N. troops were sometimes killed by the very people their were protecting and that this was impermissible. It is obvious what Juppe was implying, but why only implying. As long as the big powers protect the murderers of their own soldiers, no proposal by Butrus-Ghali will be of much help.

Karadzic's Serbs To 'Try' Foreign Aid Workers

AU2004110395 Paris AFP in English 1037 GMT 20 Apr 95

[FBIS Transcribed Text] Sarajevo, April 20 (AFP)—Bosnian Serbs will "try" two Swiss and a German they arrested at the start of the month, the UN Protection Force (UNPROFOR) said here Thursday.

Five members of the Pharmaciens sans frontieres (pharmacists without borders) medical aid association, arrested for their part in early March, are also expected to face trial for illegally entering Serb-held territory, it was earlier announced here. Ludwig Kraus, 37, a German national working for the German-Bosnian Association, an aid group, was arrested on April 1 after crossing by mistake into Serb-held territory outside Sarajevo. Two Swiss, Simon Gerber and Maria Wernle-Matic, on a cultural aid mission sponsored by UNESCO, were seized by the Serbs at another checkpoint between Sarajevo and the airport.

"The preliminary Bosnian Serb investigation is apparently complete and the decision has been taken to bring these individuals to 'trial,'" UNPROFOR said after talks Wednesday with Serb authorities. The two Swiss are likely to be accused of carrying "anti-Serb propaganda" and the German with "illegal border crossing and for supporting the Bosnian Army," UNPROFOR said.

The Pharmaciens sans frontieres team—four French and one American—were arrested at the same Serb checkpoint as the German aid worker after losing their way on leaving Sarajevo. They too may face charges of "supporting the Bosnian Army" because documents they carried relating to the import of aid for civilians here and in Serb-held territory had been stamped by the Bosnian Army.

Mladic's Speech 'Lambasted' by Assembly Deputies

AU1904115495 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 18 Apr 95 p 4

[Article by B. Maric: "Clash Between Army and Politicians"]

[FBIS Translated Text] Shortly before dawn yesterday, the People's Assembly of the Srpska republic [RS] concluded the debate on the military-political situation with special attention being devoted to the Bihac front. The session was held in Sanski Most and was closed to the public.

According to unofficial sources, the 50th session of the RS Assembly passed with extremely harsh polemics between some deputies and the top state leadership on one side and the military leadership on the other.

According to unofficial sources, deputies lambasted the speech that Colonel General Ratko Mladic, commander of the General Staff of the RS Army, submitted on behalf of the General Staff.

It is indicative that Gen. Mladic spoke on behalf of the General Staff and not of the Supreme Command headed by RS President Radovan Karadzic. For the first time since the RS Army was formed, the deputies did not endorse Mladic's report.

The deputies reproached the RS Army's General Staff for not being prepared for the March offensive of the Muslim Army on Mt. Majevica and Mt. Vlasic, where the RS Army lost control of several tactically important elevations including the telecommunications relay station.

Much criticism was directed at the General Staff for the RS Army failing to completely neutralize the 5th, that is, Bihac, Corps of the Muslim Army during the counteroffensive last autumn in which Serb units reached the close vicinity of Bihac.

According to what we have learned unofficially, in reply to deputies' remarks, Gen. Mladic said that the war aims of the RS have in fact not been defined and that this is one of the basic reasons for the "incompleteness" of some of the RS Army operations.

He also pointed out to the fact that the burden of war has not been equally shared in the RS and that even the state is trading in commodities of strategic importance for the Army, which left it above all without fuel, primarily oil.

This harsh debate that was held in Sanski Most for nearly 30 hours is also being linked—according to what foreign agencies reported—with the reconstruction and reorganization of the General Staff of the RS Army, something that Radovan Karadzic spoke about at the sessions of the Serbian Democratic Party Main Committee and the assembly caucus held in Prijedor immediately before the Assembly session.

At the end of the session, which came after debate had been concluded on two out of 26 items on the agenda, the two sides agreed that the defense of the RS and its people is the basic task to which both politicians and the Army must subordinate everything else.

Mladic's Resignation Demanded

AU1904153995 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 19 Apr 95 p 5

[Article by B. Maric: "Mladic's Resignation Sought"]

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[FBIS Translated Text] "There are no rifts between the political and military leadership. As state president and supreme commander of the Armed Forces I have the full support of the assembly and the commanders," Dr. Radovan Karadzic said after the conclusion of the Srpska republic Assembly session held last weekend in Sanski Most.

With these words the Srpska republic president tried to deny the information according to which—at the closed door session in Sanski Most—he assessed the report by Colonel General Ratko Mladic, commander of the Srpska republic Army, as "task distribution," and as "beside the point," before dismissing it!

However, that all had not been as Dr. Karadzic claimed was verified by certain deputies who disliked Gen. Mladic's report so much that they even asked for his resignation, and for that of several other generals from the Srpska republic Army General Staff, among whom was also Milan Gvero.

In his report General Mladic—speaking on the behalf of the Srpska republic Army General Staff—said about the military-political situation, inter alia, that the deterioration of relations between the Srpska republic and Serbia was the greatest tragedy to befall the Serbian nation, particularly its part west of the Drina.

He also pointed to the unauthorized interference by the civilian authorities in the command structure in the Srpska republic Armed Forces.

Gen. Mladic insisted on the determining of the war goals of the Srpska republic, and the placing of all its potentials in the service of the defense of its people and borders. He proposed that all the fuel in the Srpska republic be handed over to the Srpska republic Army.

Mladic particularly emphasized the strengthening of the Croatian-Muslim military alliance, stressing that the Muslim Army, the Croatian Defense Council, and the Croatian Army could altogether count on over 350,000 soldiers in their war against the Srpska republic Army.

Also, the commander of the Srpska republic Army General Staff drew the attention of the deputies to the fact that the Muslim Army and the two Croat Armies were getting stronger in the technical and technological respect, too, and that the arms embargo had essentially never really been in force for them.

All this must have made Gen. Mladic arrive at the conclusion that—unless a political solution was found at the negotiating table—the war for the Srpska republic would be long and exhausting.

Responding to remarks by the deputies, Gen. Mladic said that it was the state leadership and not him who made the decision on the withdrawal of the Srpska republic Army from Mt. Igman and Bjelasnica, and that the counteroffensive by the Serb forces on the Bihac front was halted in a similar fashion.

Majority Oppose Karadzic's Serbs in Federation

AU2004090795

[FBIS Editorial Report] Sarajevo BOSNJACKI AVAZ in Serbo-Croatian on 12 April on page 4 carries approximately 1,000-word report on the results of an opinion poll on how the citizens of Bosnia-Herzegovina perceive the "value of political actions of the Serbian Civic Council and its president, Mirko Pejanovic."

The report, entitled "With the Abolition of the 'Srpska Republic,' the Bosnian Serbs Are Entering the Constitution of the Federation," was conducting by a polling agency in "Sarajevo, Zenica, and Tuzla, via telephone, using the random sampling method. The respondents were also asked their national affiliation." The date of the poll is not given.

The report contains a table showing the number of respondents who took part in the poll and their "national affiliation" as follows:

Serbs	14
Croats	25
Bosniaks	181

The results of the poll are presented in several pie charts and expressed in percentages as follows:

Do you think the Serbs as a constituent nation should be entered in the Constitution of the Federation of Bosnia-Herzegovina before it comes to life in the whole of Bosnia-Herzegovina?

	Sarajevo	Zenica	Tuzla	Overall
Yes	13	14	29	19
No, Karadzic's "Srpska republic" should first be abolished	62	66	57	62
Do not know	25	20	14	19

In your view, can the Serbian Civic Council and its president, Mirko Pejanovic, eventually become leaders of all Serbs in Bosnia-Herzegovina, including those from the occupied territories who did not bloody their hands?

	Sarajevo	Zenica	Tuzla	Overall
Yes, they certainly can	38	16	33	29
Hardly, but not impossible	39	56	53	49
Do not know	23	28	14	22

Krajisnik Holds Talks With Gen Smith

LD1904201995 Belgrade SRNA in Serbo-Croatian 1917 GMT 19 Apr 95

[Received by fax]

[FBIS Translated Text] Sarajevo, 19 Apr (SRNA)—Momcilo Krajisnik, president of the People's Assembly

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of the Srpska republic, had talks in Pale today with General Rupert Smith, UNPROFOR [UN Protection Force] commander, and head of the civilian sector Enrique Anguillar on possibilities of continuing the peace process and on the use of Sarajevo airport.

Maksim Stanisic, vice president of the state committee for relations with UNPROFOR, told SRNA after the meeting that "certain progress was made" during the talks. "If things continue the way the Serb side had proposed, flights to Sarajevo airport will soon get back to normal, but on condition that they are restricted to humanitarian purposes," said Stanisic, recalling the practice so far of using the airport for nonhumanitarian purposes.

Head of UNPROFOR's civilian sector Enrique Anguillar also assessed the talks in Pale as "constructive." Anguillar added that the emphasis of today's meeting was on the continuation of the peace process and the extention of the agreement on the cessation of hostilities.

President Krajisnik and Gen. Smith did not make any comments for the press.

Akashi Arrives 'To Strengthen' Cease-Fire

AU2004093595 Paris AFP in English 0919 GMT 20 Apr 95

[FBIS Transcribed Text] Sarajevo, April 20 (AFP)—UN special envoy Yasushi Akashi flew in to Sarajevo Thursday for talks with Bosnian Government and Bosnian Serb officials amid growing international pressure on the warring parties to extend a much-abused truce.

The UN Security Council adopted a resolution Wednesday calling for better security measures for UN peacekeepers here and urging an extension of the cease-fire which officially expires on May 1. Akashi flew in to the besieged city aboard a Yak-40 aircraft. He was met at the airport by local UN force commanders, Generals Rupert Smith and Herve Gobilliard, and by UN Civil Affairs Chief Enrique Aguilar.

After talks with Smith, Akashi was due to meet Bosnian Prime Minister Haris Silajdzic and Hasan Muratovic, minister responsible for relations with the United Nations. In the afternoon, he was scheduled to travel to the nearby Bosnian Serb stronghold of Pale for a meeting with Bosnian Serb leader Radovan Karadzic, "Vice-President" Nikola Koljevic and the president of the self-proclaimed parliament Momcilo Krajisnik.

On Friday, Akashi was expected to hold talks with Bosnian Vice-President Ejup Ganic and possibly President Alija Izetbegovic before returning to Zagreb. His visit comes at a time of deepening crisis with fighting picking up across the country in violation of a four-month cease-fire. The Security Council resolution, adopted unanimously, called on warring parties to resume peace negotiations and cooperate fully with UN personnel on the ground.

The resolution was approved a day after France, which has provided the largest contingent in UNPROFOR [UN Protection Force], threatened to withdraw its 4,500 troops if something were not done to increase security for the UN forces. "We are not only here to extend the (cease-fire) agreement, but to strengthen it," Akashi said on arrival here. But he cautioned against too greater expectations, saying: "I am neither optimistic, nor pessimistic."

For the time being "neither party has given up the war option," he added.

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Airport Shelled as Valentic Opens Facility

LD1904114495 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 19 Apr 95

[FBIS Translated Text] During today's opening of the newly reconstructed part of Dubrovnik Airport in Cilipi, just as Croatian Prime Minister Nikica Valentic was making his speech, the Serb aggressor tried to disrupt the celebrations. One shell fired from Serb positions in the Dubrovnik hinterland exploded at about 1115 near the airport. This provocation by Vucurovic's [mayor of Serb-held Trebinje] chetniks did not disrupt the continuation of the celebrtations to mark the opening, which was attended by about 1,000 officials.

Valentic on Shelling

LD1904120495 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 19 Apr 95

["Statement" by Prime Minister Nikica Valentic following Serb shelling of Dubrovnik on 19 April; place not given—recorded]

[FBIS Translated Text] I have already said that this attack shows that our opponents and enemies have no scruples; this is a desperate attempt by those forces, people and those states who, apart from the war, have no other perspective. This confirms a complete failure of a policy, as nobody can seek its position in Europe by fighting.

Even in this situation we are completely composed and level-headed, but also completely resolved not to allow such provocations any longer. The Croatian Government and the entire Croatian state policy are unanimous; the behavior of our people here, around 1,000 people, best shows that our people is both composed, brave and resolved.

On behalf of the Croatian Government I would like to say that we are more prepared than our opponents think; however, we shall not make any decisions on the basis of instant impressions and provocations, but on the basis of a well-considered state policy.

Party Officials Comment on Resolution 981

AU1904144995 Zagreb VJESNIK in Serbo-Croatian 4 Apr 95 p 3

[Article by Andrea Latinovicplace: "The Greatest Drawback—Undefined Deadlines"]

[FBIS Translated Text]

Zlatko Tomcic, HSS [Croatian Peasants Party] President: We Are Not Too Optimistic

We believe that the resolution has met some of the demands of the Croatian side, but not clearly and specifically enough. It is obvious that it was left to Butrus-Ghali to define the implementation mechanisms in his report of 22 April, but, considering his disinclination towards Croatia and inclination towards the Serb side, we are not too optimistic. We believe that the end of the UNPROFOR [UN Protection Force] mandate was defined concretely in the resolution, but what is disputable and too broadly defined in it is the control [kontrola] of the Croatian borders. The definition is too broad and leaves much room for further arguments regarding what "international border control" [kontrola] means. Anything in Butrus-Ghali's report that is less than complete control and does not prevent the passage of military formations and equipment will be below what Croatia demanded. We believe that the fact that demilitarization and the return of the refugees were defined in such a way that the consent of both sides will be necessary for their implementation is also a serious drawback. This implies that the rebel Serbs are equal in the legal resolution to the problem, which the HSS does not agree with.

Bozo Kovacevic, HSLS [Croatian Social Liberal Party] Head Secretary: We Are Witnessing a Strange Change

I think that this resolution is the result of the efforts of the UN, the international forces, and Croatia, to show something that in fact prolongs the status quo as a significant change of the situation. The resolution states that it is based on the Zagreb Agreement, among other things, which means that the UN still will observe the separation line. This is unfavorable for Croatia. On the other hand, since there are no more UNPA's [UN Protected Areas], we can assume that the western part of the former Sector West will not be within UN control [nadzor], which is in accordance with the demands of the people who live in the area. It is undoubtedly favorable for Croatia that its territorial integrity is mentioned, but it is unfavorable that no deadlines are set within which the guaranteed integrity would finally be realized. The resolution mentions border control [kontrola], but only through supervision [nadgledanje] and reporting, and not through applying force against those who may cross the borders of the Republic of Croatia in an unauthorized manner. It seems to me that we have been witnessing a strange change that has occurred within the past two months. Croatia decidedly announced that UNPROFOR will leave, and, within the past two days, we have witnessed a frantic struggle of the Croatian representatives for a resolution to be adopted that would stipulate that the UN forces be present in Croatia. All this has mostly caused confusion.

Stjepan Mesic, HND [Croatian Independent Democrats] President: We Have Not Gained Anything With the Resolution

We have not gained much with this resolution. The external manifestations, such as mentioning Croatia within its borders, are used in the resolution in order to present it as a Croatian diplomatic victory. What was everything that happened so far then? Does that mean that Croatian diplomacy has lied until now? What is

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important are the contents of the resolution, and we have gained nothing with it. We did not get border control [kontrola], demilitarization of the territory, nor the timing according to which the reintegration is to take place, and the people who are supposed to return have got nothing. On the contrary, they have less knowledge now than they did before about when they could return to their homes. Since the moment Croatia canceled the UNPROFOR mandate, neither our executive authorities nor the diplomacy have done anything. Tudjman rashly cancelled the UNPROFOR mandate, without any consultations. This resolution is a result of a wrong policy that implies that Bosnia can still be divided in agreement with Milosevic, and that he would in return give the "Krajina" back to Croatia. Croatia does not have a concept of its politics; it constantly expects someone else to solve its problems. Croatia must come out with its concept of reintegration. The Croatian authorities carried out a wrong policy toward Bosnia, and they must rid themselves of the culprits for the war with the Muslims, as the Muslims must rid themselves of theirs. However, everyone should first deal with their own problems, and that is the way they will be solved.

Stjepo Martinovic, HNS [Croatian National Party] Secretary: The Label Is One Thing and the Contents Another

We are not fascinated by the fact that the operation is called UNCRO [UN Confidence Restoration Operation in Croatia] in Croatia, since the label is one thing, and the contents another. After all, the operation on Cyprus has contained the name of the country since its very beginning, but that did not resolve the problems in the country. Minister Granic says that, with the resolution, Croatia has been taken out of the context of the Yugoslav crisis, which cannot be seen in the resolution. The resolution has wiped out the key part of the Tudjman-Gore agreement, which shows that the United States, regardless of its support for Croatia, cares more about an agreement with Russia. Croatia can hope for something good if it imposes itself as an equal partner that the international community will not be able to ignore—it should do so with its internal organization, in the direction of European parliamentary democracy and human rights, and not in accordance with the strengthening of authoritarian power that has been deceiving the public with successes that are not followed by reintegration of the territories that are under the authority of the rebel Serbs, or by the return of the refugees. The Croatian public will realize again that the UN is frightening us for prevention purposes, in order for us to understand that we will have only as much international support as there are key countries that can associate themselves with our values.

Anto Djapic, HSP [Croatian Party of Rights] Head Office Deputy President and Party Spokesman: Nothing New in Practice

The new resolution presents nothing unexpected; it is only one of the declarative recognitions of Croatia within its internationally recognized borders. In practice, it means that there is nothing new in the West, and everything is as usual in the East. There are no deadlines, no return of the refugees, and the worst thing is that the resolution appeals for a conversation between both sides. We are surprised that the Croatian authorities present this resolution as a great diplomatic victory, while it is in fact bad for Croatia. One part of the resolution even talks about the return of all the displaced persons, which includes the Serbs who left Croatia of their own free will. The HSP does not agree with that.

Tonino Picula, SDP [Party of Democratic Changes] International Secretary: Restoring Trust in the UN

Perhaps the most accurate meaning, and not translation, of Resolution 981, would be the operation of restoring trust in the UN in the Republic of Croatia. Whether President Tudjman's diplomatic yielding in Copenhagen really paid off, we will see only on 21 April when this UN Security Council letter of intent is translated into Butrus-Ghali's "instructions manual" for Resolution 981. Triumphant feelings should be postponed for the time after the first truck carrying weapons is stopped on the Croatian border, having come from the direction of the "Srpska republic" or the "FRY [Federal Republic of Yugoslavia]," or the return of the first refugee to his reintegrated home, which the "new" UNCRO should secure by 30 November this year. The SDP supports firm and decisive diplomacy, since only that kind of approach can minimize the use of weapons. We share the concern of the international community over ith the possibility of renewed conflicts in Croatia, but it should be pointed out to the international community that it has its share of responsibility for the consequences of the long and inefficient policy toward the problem of the occupied Croatian territories.

Damir Kajin, IDS [Istrian Democratic Congress] Deputy President: We Are Closer to Reintegration

Croatia's consent to the resolution through the statements of support of the leading state officials indicate that this was an issue of compromise. However, the IDS is aware of the fact that Resolution 981 is more favorable than the former UNPROFOR status and it believes that there is an eventual possibility of a political resolution with which the war option will be avoided. However, the IDS does not believe that it is possible to achieve peaceful reintegration through this resolution within eight months. However, we believe that, with this resolution, we are closer to reintegration than we have ever been; that is, if Croatian does not use blackmail, but if it manages to persuade its European partners that the present situation is impossible to maintain by openly and sincerely joining international associations. The

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possibility of discussion between those that were formally equal, from the Council of Europe onwards, is the greatest indirect contribution that Resolution 981 makes. What we consider to be more important than the resolution itself are the the statements of the diplomatic representatives in the Security Council regarding the unquestionability of the Croatian territory, which indicates that the international community will continue the intensive search for a peaceful reintegration, which-Croatia must make use of, since at this moment it is simply political reality to its advantage. It is less important what political concessions Croatia will make, but certainly on the basis of the worldwide known model of either local autonomy or federal organization. The name itself is also less important, but accepting the proposal for negotiations on the basis of the Z-4 [Zagreb-4] plan indicates that such solutions are possible.

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German Economic Cooperation Minister Arrives

LD1904185495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1717 GMT 19 Apr 95

[FBIS Translated Excerpt] Skopje, 19 Apr (TANJUG)—Carl-Dieter Spranger, the German minister for economic cooperation and development, arrived today on a two-day visit to The Former Yugoslav Republic of Macedonia [FYROM], in an effort to familiarize himself with the reforms which have begun and the scope for providing assistance to this new Balkan state.

Spranger was received by Macedonian President Kiro Gligorov and Prime Minister Branko Crvenkovski, and he will have separate talks with several government ministers in Skopje.

The subject of the talks with Spranger, it has been announced, will be investments in electricity generation, the communications infrastructure, agriculture, and the environment.

The hosts will try to campaign to acquire the status of a developing country, which would facilitate the use of special German government funds and funds of the Cologne Development Bank.

At the same time, Skopje is expecting German help in obtaining favorable treatment in the talks with the Paris club of commercial banks.

Spranger's visit is also important, it is believed in Skopje, because he is a German governor in the World Bank, which is to examine FYROM loan requests next week. [passage omitted]

Minister Says Serbia 'Main Problem' for Security

AU1904072995 Skopje MIC in English 18 Apr 95

[FBIS Transcribed Text] "An eventual outbreak of a conflict in Kosovo does not mean that it would automatically spill over in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]," the Macedonian Minister of the Interior Ljubomir Frckovski stated in the interview for the Prishtina weekly ZERI.

A conflict on Kosovo could affect Macedonia's stability, but not threaten it, Frckovski explains, adding that Kosovo is outside Macedonia, which, as a state, is building its stability in such a way that it is dependent on the internal factors.

Speaking of the opening of the so-called University in Tetovo, Minister Frckovski stressed that the laws in Macedonia do not sanction the opening of universities with all faculties, in the languages of the nationalities. According to Frckovski, it would not even be possible to open such a university on a private basis. Such an university could function in Macedonian language, or in some foreign language, but not in the language of the nationalities. As to Macedonia's security, Frckovski emphasizes that the main problem is Serbia, foremost due to its nonrecognition of Macedonia, which is connected with the relations with Greece. The controversial issues with Greece, according to Frckovski, will be resolved within the framework of the international mechanisms, which will actually also apply to the other controversial questions, including the problem with the border with the Federal Republic of Yugoslavia.

Police Reform, Participation of Ethnic Albanians

95BA0210A Skopje NOVA MAKEDONIJA in Macedonian 25 Mar 95 p 17

[Interview with Grozdan Cvetkovski, author of *What We Are Fighting For*, by Zoran Petrov; place and date not given: "Politics Is Our Destiny"]

[FBIS Translated Text] *Actually, it appears that the entire struggle for us, eight members of the MVR [Ministry of Internal Affairs] was for power. The main error of the two ministers of internal affairs as well was, in my view, their excessive trust of police cadres. That government definitively proved that the Albanians have never been loyal to this country, nor have they ever felt it as their own.*

The book by Grozdan Cvetkovski, *What We Are Fighting For*, came out recently. The promotion of this book will begin next week. The author is known to the public at large as one of the "eight from the MVR," who in 1989 made a big impact, triggering upheavals among the Macedonian political authorities of back then and exposing the so-called democratic transformation of the RSVR [Reformist Internal Affairs Forces] of back then. Instantly made director of the Center for Security Cadre Training, Cvetkovski had been publishing articles in the Macedonian daily and periodical press for quite some time, seeming to be an author with a broad range of interests. Actually, *What We Are Fighting For* is a collection of selected writings from the period 1987-94, subdivided into eight topic headings.

The Eight Were Fighting For Power

[Cvetkovski] I insisted that these writings be published, because in all of them without exception I wanted to remain true. What I emphasized is the awareness that politics has always been, and remains, our destiny. If we do not deal with it, politics will certainly deal with us. When I wrote this, seven or eight years ago, I was convinced that I would be able to change something by myself. However, looking back, I can see that in this country very few things can be changed in that manner. This was a voice in the desert. Still, I am convinced that what I wrote then remains topical today, and this is the main reason for my decision to publish this book.

[Petrov] The first chapter in your book relates to the familiar affair of the "eight from the MVR." However, these eight people had very different destinies. Some, in the Police, attained the highest of positions; one ended his life tragically; another joined a political party; and so on. Hence the question raised in the title of the book as

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to why, actually, you struggled; and, looking at today's perspective, have you made your choice?

[Cvetkovski] The title of the book was inspired by the refrain of Orwell's *1984*: "I understand how, but I do not understand why." Let it be noted that such writings do not bring anything new and unknown to the public. Thus, all matters discussed in the book provide no answer to the question of why things are as they are. That is why your question of why we struggled, and whether we have made our choices, has no answer.

I avoided commenting on the affair of the "eight," believing that it is still too early to write about this objectively and impartially. Personally, I knew why I fought. As to the eight, who were somehow part of the paradigm of the "Macedonian spring" of back then, we initially thought we were fighting for an ideal. Subsequently, we suffered different fates, and each one of us took a separate path. Looking at it from the distance of today, six to seven years later, I would not be excessively harsh by pointing out that, in fact, it turned out that this entire struggle was a struggle for power. Few among the eight have not changed. That is, especially, why I do not elaborate on this matter in the book.

[Petrov] You say that your personal aim was to increase democratization in the Police and the state. Has anything been accomplished?

[Cvetkovski] That depends on your viewpoint. Some of us—let me not mention names—today, for example, reject the group and do not accept the fact that it actually existed or accomplished something. I consider this extremely cynical. The fact is that some results were achieved, in the sense of promoting an unstoppable process in society.

[Petrov] At one point in your writings, you say that, in addition to time, will is necessary, to transform the Police. In terms of the new reforms in the MVR, do you think this will lead to radical changes in the structure and operations of the Macedonian police, and, in your view, do we truly have, today, a political police?

[Cvetkovski] What is basic is that in addition to time and political will, transformation requires people. So far, the MVR has had two ministers, each of whom had his own views and concepts of the reforms. In my opinion, the main error made by both is that they trusted certain police cadres too much. Somehow, they were deliberately disinformed and obstructed, although what the ministers wanted was a faster transformation. With the present laws concerning the MVR and the intelligence agency, a certain level of completion of a high percentage of the transformation of the Police has been attained.

As to whether or not the MVR remains a political police, let me say that that service has, in fact, become depoliticized. This is a great advantage in further work, for it is only thus that skill and competence come to the surface. However, such depoliticizing should not be viewed mechanically, because the Police is a state agency still guided by politics. In this case, above all, I consider the attitude of the political forces within the state; and, whether it wishes it or not, this includes the Police itself. The most typical examples of this are a number of events that have occurred recently during the course of which the Police, against its will, became involved in certain political events—unfortunately as the main player. This includes the "Blue Bird," "Bit-Pazar," "Tjorce Petrov," and, currently, "Mala Recica" affairs. My view is that the Macedonian police is still serving the authorities.

[Petrov] In that now seemingly distant year of 1988, you wrote about organized crime. Last year, Pavle Trajanov, one of your former fellow fighters, brought this issue up to date, at the level of a political affair. Would you add something to your writing concerning organized crime, inspired by the present situation in Macedonia?

[Cvetkovski] I will never be in a hurry to issue an empirical statement as to whether or not we have any organized crime, for the simple reason that any such statement could be amply proved. My belief is that, compared to Albania, Serbia, or Bulgaria, for example, Macedonia still remains at the bottom of the ladder as regards organized crime. On the other hand, new, clearer aspects of crime—extortion, blackmail, racketeering, money laundering, or contract murders—serve to indicate that, as a state, we are reaching a higher organizational level of dealing with criminals, although I emphasize that in Macedonia there is no organized crime such as there is in Italy, the United States, and, now, Russia.

Informing by Profession

[Petrov] In some of the chapters in your collection you also deal with the fate of what you describe as "Homo Makedonikus," and his characteristics, such as a self-destructive syndrome or, according to you, the Macedonian national sport: informing. Can you link this to our current political times?

[Cvetkovski] Look at the events of slightly more than four years as regards pluralism in our state. The Macedonian always waits for something to fall from the skies. Our people are of a strange variety. On the one hand, they do not trust anyone; on the other, in some situations, they are excessively naive, and find it particularly difficult to respond to change. Certain things are recurring with excessive frequency and ever-increasing intensity; while the passive attitude, fatalism, and acceptance of one's destiny is what I believe to be the features of the Macedonian people.

As for denunciations, that is our national sport. During all those years, this was the main adjective linked to our self-destructive syndrome. It was maximally distorted and abused by the Police and equally accepted by the OZNA [Department for the Security of the People] or the UDBA [State Security Administration]. Let us make it clear that I am not talking about the civic duty of reporting a crime to the police but strictly about denunciations in the classic sense of the word that have existed in our country and will continue in the future.

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This comes from all sides. Look at the media, which are also packed with denunciations. We find ourselves in a situation in which anything can be said about anyone without any proof and on the sole basis of street rumors, without having to bear any responsibility. This is also linked to labeling, which could affect the fate of many human beings. But who cares. It is as though an invisible type of Bolshevism, converted into the belief that anyone who is not with the authorities is against the authorities, dominates all of us. Simply stated: We are in the position of constantly having to defend ourselves, and prove and justify ourselves on a daily basis. This is probably is the destiny of the Macedonians.

[Petrov] In your book you deal extensively with interethnic relations, and the impression is that you are very sharply criticizing the authorities in that area....

[Cvetkovski] I start with the criticism of the concept of coexistence, which has been exploited in our country and which, in my view, is the extension of the slogan of fraternity and unity. Coexistence means to live side by side. I believe that the concepts of living together and coexisting are quite different. Coexistence is far less consistent with something we are short of in that respect.

It is a fact that we live in a country in which there is a minority in excess of 20 percent, and that this minority deserves to have certain rights. This is based on international agreements—no more and no less. We have currently reached an absurd situation in which all minorities demand to have their universities, television, press, and so on. The crucial issue is where the limit is, or what size a given minority must reach before being granted certain special rights.

On the other hand, this may also conceal discrimination, which makes it doubly dangerous. For the time being, we have no answer, and have allowed ourselves to listen to the advice of many politicians throughout the world, turning us into a land of experimentation.

As for the Albanians, as the largest Macedonian minority, I stand on what I wrote: that the state's attitude toward some of them has been excessively tolerant. My view is that they should not be granted exclusive rights relative to other ethnic groups. Naturally, whether they want to or not, they must show their cards, and see who is who in the state, for we have reached a situation of hearing ridiculous political tirades on coexistence between Macedonians and Albanians, starting back with the time of the Krusevo Republic and the NOV [People's War of Liberation]. Our records reveal the historical attitude of the Albanians toward the Macedonians and their struggle to have their own country. This reveals, once and for all, that the Albanians have never been disloyal to the country, but neither have they ever felt it to be their own. This is a reality, whether we like it or not. I am not referring to chauvinism or any kind of revenge-seeking, but I favor the final clearing and resolution of this issue, which cannot be resolved with a meaningless idea of coexistence.

[Petrov] Most of the writing in this book consists of political analyses, commentaries, and reports in which you do are not sparing with your criticism of the authorities. For this reason, the last question is: How do you define yourself on the political level?

[Cvetkovski] I have always spoken for myself, and have never concealed that I was a member of the League of Communists and secretary of the party organization in the former RSVR. I do not cover my head with ashes and, as do many, say I was mistaken. Conversely, I believed in the idea. Simply stated: These dreams dissipated. This does not make me an anticommunist today. I am not a member of any party but I am close to the government to the extent to which I must criticize it substantively. In that matter, I am not like some of my fellow fighters who maintained their undefined attitude and speculated with political parties depending on their current political rating. To be one's own person is the best of all feelings.

Abuses by Police, Punishment Cited

95BA0210B Skopje VECER in Macedonian 24 Mar 95 p 7

[Unattributed article: "Twenty-Eight Policemen Are Outside the Law"]

[FBIS Translated Text] At the 15th session of the Macedonian parliament, held day before yesterday, using their prerogative, the representatives submitted 100 queries to the government and its ministries. At the same time, it seems, 56 answers to queries were submitted to the Assembly, answering questions formulated at the ninth session of the parliament, which was held on 26 January.

PDP [Party for Democratic Prosperity] representative Mevljan Tairi received several answers from the Ministry of Internal Affairs to the questions he formulated at the ninth session. Tairi, among others, was interested in how many members of the police have been penalized for overstepping their official powers.

The MVR [Ministry of Internal Affairs] answer stated that in 1993 and 1994 there were 23 cases of abuse of power on the part of the police. Based on the extent of their liability, 16 policemen were subject to fines; seven were dismissed from the police, and five were criminally prosecuted, as a result of which they were sentenced to prison terms ranging from 3.5 to 10 years.

Biography of Police Gen Stanoja Bogev

95BA0210C Skopje NOVA MAKEDONIJA in Macedonian 17 Mar 95 p 4

[Article by S. Colakovski: "From Assistant to General"]

[FBIS Translated Text] *Bogev is a graduate of the Higher School of Internal Affairs in Zagreb, and completed his university education at the Security Department in Skopje. He has been an MVR [Ministry of Internal Affairs] employee since 1968, rising from assistant policeman to deputy police administration minister*

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Dark red shoulder straps with two diagonal gold "crowns" and one star are the emblem of the rank of general of the Ministry of Internal Affairs of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FRYOM]. This rank—which is the first and, for the time being, only rank—decorates the shoulders of the state's "Number One" uniformed policeman, the person who by virtue of government decision No. 17-168/2 of 30 January 1995 was promoted from colonel to general of the Police.

Who is, actually, this first Macedonian police general?

Stanoja Bogev, deputy minister of internal affairs, was born in 1946 in Rozden Village, in the Kavadarci area. He completed the Higher School for Internal Affairs in Zagreb and his university education at the Security Department in Skopje, where he also passed his postgraduate tests in criminological studies. He has been employed in the MVR since 1968. His first job was that of assistant policeman, followed by promotions, including high inspector of units for special assignments, chief inspector of planning and organization in the defense training sector, and chief of the department for control, crossing, and protection of the state borders.... In 1991 he was appointed assistant minister in charge of MVR police administration, which is his present function.

General Bogev says the following concerning the "specific burden" of the rank of general and what it represents: "First of all, I can say that, to me, it is a great honor and pride to be the first general of the police of the Republic of Macedonia. The trust in me is probably an expression of the evaluation of everything I have done in the past and do at present. This uniform is hard to wear, and the rank of general is even heavier. This indicates a great commitment, and its meaning is different. Let us say that, in all probability, today the entire police personnel looks at me as a guarantor, as a link with the hierarchy, which would guarantee their existence, rewards, and advancement in all areas."

The first Macedonian general stressed the following as to the status of the police in the state and the direction that must be followed with the next steps of the MVR: "What must be accomplished now is to complete the rejection of certain elements who, unconsciously or consciously, display the old understanding and nature of police work. This means, literally, eliminating inefficient work by the police! We must be in step with the most democratic police forces in a world in which—let us say—the dimensions of the link between policeman and citizen must be reduced optimally. We also insist on developing a modern police force in the sense of professionalism and expertise in our work and in practicing democracy. Without this we cannot advance further. Allow me to point out that a great deal has been accomplished since the Republic of Macedonia proclaimed its independence! We cannot stand still, however, but must go further. Let us say that in the past few years, logically, a number of new elements were introduced into our work and a lot of problems were resolved on the go. We have one more international border. There are new border crossings. Diplomatic and consular missions are being opened—and, by analogy, membership in Interpol—which gives us certain rights but also just as many commitments.... I would like to say that building and furthering the police must reach a level that is demanded and that will satisfy the citizen, above all!"

Let us recall that last October the top ranks in the Macedonian police were promoted. Several police officers were given higher ranks.

Slovak Citizens Arrested for Ammunition Smuggling

95BA0210D Skopje VECER in Macedonian 7 Mar 95 p 11

[Article by "B.D.K.": "Ammunition Seized by Customs"]

[FBIS Translated Text] *Roman Sabo and Martin Bendarik, both from Bratislava, Slovakia, were detained because of an attempt to smuggle ammunition for revolvers into the Republic of Macedonia. In addition to prison and stiff fines, 180 kilograms of ammunition were confiscated.*

Recently, customs officials at Deve Bair were successful in detecting over 16 kg of heroin and preventing black marketeering in ammunition. After the 98 kilograms of ammunition that were found several days before New Year's Day, the customs officials proved their effectiveness by exposing dangerous black marketeers some 10 days ago, when they found and seized another 80 kg of ammunition.

Roman Stefan Sabo, from Bratislava, Slovakia, driving a Golf GTL, with Slovak registration VAU89-16, tried to cross the border at Deve Bair. He did not think the customs officials would block his plans. After the detection of the ammunition (for sidearms, 7.62mm and 7.65mm caliber, and long and short "nine") Sabo's travel was terminated and, from the border, he was taken to the Skopje jail.

He will be tried for black marketeering involving a great deal of ammunition, weighing a total of 80 kg. Furthermore, he will be held liable for customs violations by the Customs Violations Commission of the Customs Office in Skopje.

Martin Bendarik, also from Bratislava, was jailed for the same crime and the same customs violation: surreptitious smuggling of ammunition. Two months, ago he tried to bring into our country 98 kg of ammunition for sidearms of different calibers. The ammunition carried by the two Slovaks was confiscated and is kept in the local MVR [Ministry of Internal Affairs] unit in Kriva Palanka, awaiting the outcome of the criminal and customs violations trial.

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Ambassador Petric Sees Changed U.S. Views

AU1904163595 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 19 Apr 95

[FBIS Translated Text] A two-day meeting of approximately 30 Slovene ambassadors continues in Brdo near Kranj today. They discussed problems plaguing our diplomatic missions, and communications between the diplomatic and consular missions and the Ministry of Foreign Affairs. This served as an opportunity for brief interviews with some of the ambassadors, about Slovenia and its position in the world. Igor Juric asked Dr. Ernest Petric, Slovene Ambassador to the United States, why Americans have changed their views lately about Slovenia:

[Begin Petric recording] On the one hand, because of the change in the U.S. outlook—recognizing that the story on Yugoslavia is over, and on the other hand primarily due to Slovene achievements, that is, achievements on the path toward democracy. I must add here that Americans are not at all bothered by an issue here or there, I mean, they have plenty of issues, disputes, and polemics themselves, as long as these are resolved within the confines of parliamentary democratic institutions. They do not care therefore whether a minister is this or another man, whether ministers change or stay, as long as it conforms with the procedures of formal democracy. In this sense, Slovenia scores high marks. The assessment of Slovenia's human rights record is exemplary. The assistant state secretary on one occasion said that our record in observing human rights was the best of all the former Communist states and to my astonishment quickly added that Slovenia never was a Communist country in the true sense of the word. They are, of course, also impressed with our economic results, which are reported more and more often in the United States. [end recording]

Thaler Views Istrian Congress, Italy

AU2004082995 Ljubljana DELO in Slovene 18 Apr 95 p 2

[rticle by Boris Suligoj: "Istrian Autonomy Not in Europe's Interest"]

[FBIS Translated Excerpt] Portoroz, 17 April—"I find Istria enchanting, also because of its local pride and its pronounced particularities. However, it is foolish to exploit these particularities for political purposes and to demand autonomy and a sort of an European region. This will lead to tension and other occurrences that would not be in Europe's interest," Slovene Foreign Minister Zoran Thaler said about the Istrian congress in Portoroz's Avditorij, where he appeared as a guest of a public tribune Time and People, interviewed by correspondent Janko Tedesko.

Regarding the World Istrian Congress, he also said that he thought it prudent that our state had not participated in it and that there had not been much interest for the "congress" in Slovenia. He also touched upon other topical issues. Our demand that Italy, too, returns the property to the Slovenes on the territory of today's Italy caused surprise on the Italian side and their initial reactions were that, with this demand, Slovenia is burdening relations with history and issues that should have long been forgotten. "This is precisely what we have been trying to explain to Italy for years regarding its demands. Currently, Italian diplomacy is still 'counting its ranks,' analyzing the situation, and drafting proposals. We want to talk at the level of reciprocity, regardless of the fact that Italian diplomacy has been accustomed to negotiate only about its interests."

Zoran Thaler drew attention to the position of our minority in Italy, which is increasingly becoming a hostage of the Italian side. Two billion lira less that the earlier usual 8 billion lira were approved for the minority last year and, this year, the minority has not been allocated budgetary funds yet, which was pointed out to the Italian ambassador in Ljubljana. Besides, Italy has been closing down Slovene schools and exerting pressure on the Slovene banks.

Relations with Croatia are not ideal, however, they are more relaxed, less tense, and with fewer incidents. Possibilities exist for solving at least some of these problems. Thaler is of the opinion that the lack of an agreement costs Slovenia the most. Some residents of Piran informed him of an open letter addressed to the Piran Municipal Council in which it was demanded that the land on the Savudrija peninsula becomes Slovene property. The foreign minister explained why he finds the border between Italy and Yugoslavia drawn after World War II to be unjust. According to the French proposal of the border, 120,000 Slovenes remained in Italy. Slovenia paid the price for everybody else in Yugoslavia, primarily for Croatia, which on that occasion gained Istria, Dalmatia, and the islands. However, the Slovenes have lost a part of the coast where they had lived for centuries, that is the coast between Trieste, Aurisina, Sistiana, Duino, and Santa Croce. On that occasion, Slovenia got 46 km of the coast although the Zone B reached all the way to the Mirna River. It was, therefore, primarily Slovenia that sacrificed itself in the name of Yugoslavia but got nothing in return. "I told this to [Croatian Foreign Minister] Granic and Kacic [head of the Croatian diplomatic negotiating team] and realized that nobody had explained this to them before. This will not have a great influence on the future resolution of open border issues. However, nobody can expect that any side would easily renounce what it controls. I am afraid it will not be possible to reverse the ownership over two land registry districts—Kastel and Savudrija—simply because, somewhere near Dragonja, the asphalt changes, the road signs have long been changed, and the republican and municipal authorities ceded the localities on the other side of Dragonja River to Croatia decades ago. The Croats have learned this lesson in Razkrizje, where some people thought a deal could be struck." [passage omitted].

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Thaler on Italian Border

AU1904143995 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 19 Apr 95

[FBIS Translated Text] At a news conference in Brdo near Kranj Foreign Minister Zoran Thaler has just spoken about today's polemics in the Italian press about his alleged reference to the Slovene-Italian border.

He said this was evidently an imputed and artificially created polemic which is absolutely unnecessary because he had never made any such references in Portoroz. Thaler added that the Slovene-Italian border is determined by international agreements and as such is invio! ble.

Kucan Dismisses Talk

AU2004102495 Ljubljana Radio Slovenia Network in Slovene 1700 GMT 19 Apr 95

[FBIS Translated Text] Among the Italian politicians who reacted to a statement by Foreign Minister Thaler there was Former Foreign Ministry Undersecretary Livio Caputo. He accused Slovenia of harboring territorial demands and also commented on the alleged statement by President Kucan, during his recent visit to Venice, that Italy did not put forward concrete demands for the return of real estate to the Italian option seekers [optanti] and that this issue was resolved in principle with the Rome Treaty and the Osimo Agreements. President Kucan was a guest in our afternoon program Studio at 1700 and said the following about the Italian reactions:

[Begin recording] I am surprised by such an interpretation of the statement I made in Venice. My position is well known, and I have repeated it more than once; namely that the relations between Slovenia and Italy were, from a state and legal point of view, finally resolved with the applicable agreements, with the Osimo Agreements and the ensuing Rome Treaty.

For quite some time, Italy has been opening precisely those issues that were resolved with the Rome Treaty. Dissatisfied with the manner in which this treaty resolves the problem of compensation for the Italian option seekers for the property that was seized from then when they opted for Italy following the London Memorandum in 1954.

Normally, when a side is not satisfied with one solution and seeks a different solution, it puts forward a concrete proposal that is supposed to resolve the nature of the agreement. This does not boil down to a level of a generalized debate that compensation should be replaced with the restitution of real estate, but to a very specific proposal on which we can then take a stance. Of course, I see no connection whatsoever to the territorial pretensions of Slovenia here.

I do not know a single serious Slovene politician who would claim anything else but that, in conformity with the Helsinki principles, the borders in Europe are final and cannot be changed. Finally, when Slovenia proclaimed independence on 25 June 1991, we stated that we acknowledged the existing borders and wished to in return be acknowledged within them. This is binding for us. [end recording]

SLS President: Istrian Autonomy 'Dangerous'

AU1904155595 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 19 Apr 95

[FBIS Translated Text] Marjan Podobnik, president of the Slovene Peoples' Party, at today's news conference in Nova Gorica said that his party opposes changes to the constitution by which foreigners would be allowed to purchase Slovene land. He pointed to the opinion of Tone Jerovsek, president of the Constitutional Court, that the present constitution allows Slovenia to integrate gradually with the European Union.

According to Podobnik, the change of the constitution would primarily create opportunities for those Italian political circles who have never renounced the demands for the Slovene Primorska.

Podobnik also commented on a recent Istrian congress in Pula. He said that the ideas to abolish the border between the Slovene, Croatia, and Italian Istria could be dangerous as our country would by agreeing to it renounce one of the foundations of its territorial integrity.

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Federal

Army Transformation, Future Role Discussed

AU2004095995 Belgrade VOJSKA in Serbo-Croatian 13 Apr 95 pp 6-7

[Interview with Lieutenant General Draguljub Ojdanic, First Army commander, by Milorad Pantelic on 6 April 1995; place not given: "The Power of Defense and the Confidence of the People"]

[FBIS Translated Excerpt] General Lieutenant Dragoljub Ojdanic, First Army commander, received Lt. Colonel Milorad Pantelic, editor in chief of VOJSKA, last Thursday and talked with him about the present situation in the First Army and its future development.

[Pantelic] The First Army as the largest strategic group in the Yugoslav Army is special in many respects. What is so special about it?

[Ojdanic] According to its combat, human and financial and technical potential the First Army is the most numerous and the most powerful defense power within the Yugoslav Army. The basic southern European strategy lines pass through the area of its responsibility, which includes about 50 percent of the total territory of the Federal Republic of Yugoslavia. Approximately 51 percent of the present Yugoslav population live in this territory, there are 101 communes, 16 districts (I mean administrative divisions), the Belgrade area, 35 garrisons etc..

The area of our responsibility also includes the important navigable Sava and Danube rivers, which made it necessary for us to establish the Military River Flotilla. The First Army controls a border more than 902 km long, both on land and water, 34 border crossings etc..

The special position of the First Army arises from the fact that the largest number of military schools and academies as well as military medical units are situated in its territory. Its position is also special because of its own as well as the infrastructure of the Federal Defense Ministry, the Yugoslav Army General Staff, the Air Force, the Air Defense, and the infrastructure of the manufacturing capacities of the army-controlled industry. The obligations toward the state protocol are big, too.

[Pantelic] It is obvious that there is much work, and we assume that there are problems, too.

[Ojadnic] We do not complain. Your statement is true, however. We are in a special situation also regarding the housing problem. The largest number of apartments of the Military Apartment Fund is used by the First Army members, but we have the largest number of people without an apartment too—as many as 13,914, which is a heavy burden.

Unjustifiable Reproaches

[Pantelic] After the former Socialist Federal Republic of Yugoslavia had fallen apart, the international—especially the military and political—position of the state that succeeded the previous one considerably changed. What kind of changes were these and how are they reflected in the position, role and tasks of the First Army as a part of the defense machine of the Federal Republic of Yugoslavia?

[Ojdanic] After the former Socialist Federal Republic of Yugoslavia had fallen apart, the international, and especially the military, political and geostrategic position of the Federal Republic of Yugoslavia changed. There have been various changes, and I would like to point only to those among the most important of these that define the new strategic position of our territory in Europe and that are thus important for our geographic and operational analyses, first of all from the point of view of state security. After the bipolar world disappeared, there was a concentration of powers in Europe, which in a way created more favorable conditions for the regrouping of strong powers that could commit aggression against the Federal Republic of Yugoslavia and permit activities from a distance.

Our territory has become more sensitive, the security of the Federal Republic of Yugoslavia has diminished. The most important communications run through the Federal Republic of Yugoslavia: Berlin-Vienna-Budapest-Sofia-Near East, with a branch for the Aegean. These communication lines connect the technologically developed Europe, which is devoid of raw materials, however, with the rich Near and Middle East. This makes the position of the Federal Republic of Yugoslavia more complex and it affects its security.

It is obvious that, among other things, the Yugoslav territory became encircled through the collapse of the Warsaw Treaty; some of the Yugoslav neighbors, including the territory of the former Yugoslav republics of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], Croatia and Bosnia-Herzegovina changed over to NATO. This means that not only the security of the state is affected, defense has become a more important issue too, because the breakaway republics of the former Yugoslavia are under the influence of big international powers. This is what makes our position more difficult.

[Pantelic] Taking into account everything you have just said, can the First Army still successfully perform its tasks according to the constitutional role of the Yugoslav Army, and what does this depend on?

[Ojdanic] The First Army, as a strategic group can, with its commanders, successfully perform all tasks according to the constitutional role of the Army of Yugoslavia, under the condition that all participants in the defense fulfill the obligations they have according to the law, and under the condition that the citizens fulfill their duties and are ready to defend their home country, its sovereignty, territorial integrity and constitutional order with dignity and patriotism. This is not accepted in many cases, many people do not consider the participation of citizens

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in the defense necessary, but I must say in that case the Yugoslav Army should in peaceful times be as numerous as it is presently in the situation of war, which is impossible, because something like this could not be financed, not even by the most developed countries in the world.

The Transformation Is Not Merely Practical

[Pantelic] Some military personalities often use the term "the transformation of the army" in their public addresses. There is the impression that various activities are understood by this term. What do you understand by this term and in what direction in your opinion should the transformation develop?

[Ojdanic] When people, and sometimes even army members who are not well informed, listen to our evaluations of the transformation process, they usually only think of either its reduction or enlargement, of regrouping of its units or similar aspects. In fact, the transformation of the Yugoslav Army resulted from an emergency situation, since the conditions under which the army should have performed its constitutional tasks changed. The transformation should offer optimum solutions to a set of problems with the aim of adapting the organization of the army in times of both peace and war to the social and economic situation in the country. This should enable it to perform its tasks successfully in peacetime, to carry out mobilization, to adapt to a war, and, what is the most important aspect, to keep the quality and the quantity of its equipment, weapons and war materials at a level necessary for the performance of its constitutional tasks, under the condition that the people are ready to defend their home country. These are some of the global aims and tasks of the transformation. If we want to achieve all of them, the spectrum of questions and problems to be solved by the transformation will be large.

[Pantelic] What do you mean by this?

[Ojdanic] I, first of all, mean that the size of the army in peacetime and in war should be adapted to the economic potential of the country and to the extent that its safety is affected. The army units and services should be clearly defined, as well as the quality and the quantity of war reserves of both the Yugoslav Army and the state; the military education system should be reformed to correspond to the needs of society; it should be established that the Yugoslav Army needs scientific and research institutions; it should be stated that all issues and problems the Yugoslav Army has have to be discussed on an interdisciplinary basis, in other words the scientific approach should lead to optimum solutions and make the military units more efficient and resistant to all influences and weaknesses; the Yugoslav Army should not be influenced by political parties and politics. Its role should be exclusively to protect the people and the home country. Relations within the Yugoslav Army should be objectively reconsidered, army members should be evaluated more objectively. In other words the personnel policy should be more objective, it should have a strategic importance. Consciousness about the responsibility, the difficulty and the elevated character of the military profession should develop; reliable sources of patriotism should be found, especially morale as one of the decisive factors in war. [passage omitted]

[Box, p 7]

"A New International Order" Against Small Countries

The new international order harms small countries, including Yugoslavia. How? In a very simple way: By exhausting its economic power, by a possible destruction of its military potential and equipment and by the attempt to split its territory in order to put it under its influence etc. Furthermore, the southern NATO wing merged and became wider. Military bases are situated in the territories of the Yugoslav neighbors and they can freely be used for possible activities against Yugoslav territory; more important however, are natural "openings" in the European territory [not further specified] from which powerful units can be sent to the Federal Republic of Yugoslavia, which still has the central position in south east Europe, since it has remained the southern gateway.

If other characteristics are added to all this—the size, the shape and the border of the Federal Republic of Yugoslavia, the demographic chart and characteristics of its relief, the map of its waterways and roads, which has considerably changed compared to the former Yugoslavia, it can with certainty be claimed that the Federal Republic of Yugoslavia has become considerably more sensitive to activities from abroad, so that there is a need to find new solutions to the establishment of a more decisive and efficient defense.

Private Sector Slighted by State, Banks

95BA0191B Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 6 Feb 95 p 24

[Article by Z. Mihic: "The Leviathan and Avramovic's People"]

[FBIS Translated Text] How Vranje's Simpo received loans for sheep and young cattle and private farmers did not; has a transfer of capital from private firms to socialized enterprises started?; one does not live by production, and only commerce is eternal.

The year of keeping company with Avramovic will be remembered by private enterprises as a beautiful adventure, with uncertain consequences for the future. It is now already clear to everyone that this program was not intended at all for private investors in this country. The banks were not able to monitor their development, socialized enterprises are becoming illiquid again and thus dangerous as partners in the market, and the state has further closed the door on imports of materials and equipment from abroad. Private businessmen have thus found themselves once again at a big turning point, without any support or any real place in this system.

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The basic blunder of private entrepreneurs during the past year was to expect that sound money from Avramovic's program would be allocated for the development of sound enterprises in this country, regardless of the ownership of capital. The first signal that this was not the intention of Avramovic's team came at the end of last year from Mr. Nikola Stanic (Investbanka) himself, when he labeled private enterprises as being the main ones to blame because loans for production were not being repaid to the banks that provided them. Naturally, that was not true at all, and Minister of Enterprise Radoje Djukic said a few days ago in Subotica that this statement by Mr. Stanic had to be analyzed seriously by the Serbian Government—why had it been made, and with what intention? Even without analysis, statements of this type have always served to conceal the real culprits for the failure of investments in our economy, namely the socialized enterprises that do not serve to acquire profits but rather to maintain social peace.

"Ministerial Connection"

The facts indicate that last year banks only used 5-10 percent of their loan resources for private enterprise programs. The Serbian Development Fund, for example, only approved 3 percent of its funds for private enterprises (seven programs), but on the other hand socialized enterprises and stock companies obtained 86 percent of these funds (113 programs).

The latest case of the allocation of a loan from the Fund for the Revitalization of Villages in Serbia shows how inclined this state is to finance socialized enterprises, even for raising sheep at a furniture factory! In fact, in the first tranche of a loan for raising livestock, Simpo in Vranje was readily approved for a loan for a sheep and young cattle farm, while many private farms that have been in that business for many years now were left without financing.

"We spent three months preparing an application for these loans, and requested only 300,000 dinars, but it didn't matter; the funds went to socialized firms and agricultural cooperatives," we were told by Vojislav Ristic, the owner of the prominent Agrotrgovina young cattle farm in Erdevik. "Of the 141 programs for financing from this Fund, only five loans, to the best of my knowledge, went to Vojvodina. I cannot say that there has been no progress in the private sector; there has been, and it is slowly changing; but you always have to have some connection at a ministry, some person of your own at a bank, etc...."

At the beginning of this January, socialized enterprises have shown serious signs of illiquidity in trade with private firms; they are not paying their obligations, and forcing private businessmen into a shortage of working capital.

"I have my eyes wide open and I am very careful about who I conclude deals with," we were told by Radisa Pljakic, producer of the famous "Zuta Osa" [Yellow Wasp] and a member of the Serbian Chamber of Commerce's private business council. "In comparison with last year, socialized firms now owe me twice as much as private firms. There is a danger of a sort of transfer of capital from private firms to socialized enterprises, and that really is happening," noted Pljakic, a private businessman for many years with a history of being one of the most successful ones in Serbia.

Where Their Money Is From

In spite of the great shortage of bank loans and the merely symbolic assistance from the funds, last year private businessmen were the biggest investors in the country. At this time, close to 5,000 business facilities are being built for private businessmen, with an estimated value (along with equipment) of about 500 million German marks [DM]. According to a report from the Serbian Ministry of Enterprise, the financing of this private investment boom can be broken down as follows: 55 percent their own funds, 20 percent pooled funds, 3 percent long-term bank loans, 15 percent short-term loans, the Employment Fund 2 percent, the Development Fund 2 percent, and other sources, 3 percent. (The report covers two-thirds of Serbia's municipalities.)

The Ministry of Enterprise estimates that these facilities will employ about 50,000 workers. If the state accepted the idea of establishing a strong entrepreneurial investment fund (with a founding capital of DM150 million, financing 3,000 programs a year), in the next five years about 800,000 workers in Serbia would find employment in the private sector.

Private businessmen, however, still do not have any intention of registering all the employees in their enterprises, which is a reliable indication that tax burdens are too high. Although Minister Radoje Djukci frequently emphasizes his ministry's great achievements in reducing the tax on employees' wages from 220 percent to 130 percent, and most recently to 90 percent of income per employee, the fact that real employment in the private sector is still an unknown quantity indicates that there have not been any substantive reductions. Furthermore, many private businessmen with whom we spoke feel that any liability above 35 percent of an employee's wage is inhumane and does not help the program for greater employment in this sector.

Always at the Beginning

As long as trade and minor handicrafts are the basic activity of the private sector in Serbia and Montenegro, one cannot speak of any security or permanence of the economic system for private investors in the country and from abroad. The researches of Milena Radanov-Radicev of the Federal Statistics Institute show that even the few enterprises that are registered as private production enterprises actually earn their living through trade.

According to the "Economic Trend" report (the Federal Statistics Institute, December 1994), the share of private

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enterprises in the value of total production (the FRY [Federal Republic of Yugoslavia] for the first six months of last year) amounts to only 6.9 percent, while the private sector's share in the value of commercial goods and materials sold in the FRY was as much as 44.8 percent, which means "All honor to production, but we are sticking to trade."

After four years of the tumultuous and anarchic development, from 24,000 enterprises in 1990, private enterprise has reached the figure of 200,000 private enterprises in the FRY, and one cannot deny the fact of the accumulation of capital in this sector of Yugoslavia's ownership economy. Nevertheless, the state, in its economic policy, is nevertheless returning to the period of the contractual economy, in which the fate of a private businessman always depends upon good contacts with politicians and the ministry.

According to some estimates, in Serbia today there are about 6,000 serious private firms (with an annual turnover of more than DM1 million). Most of them are actually keeping their capital abroad, but constantly keeping one eye on what is happening at home. At home, however, the state is growing stronger in all sectors, and only people close to a state monopoly are considered successful private businessmen. Everything else is insecurity, stress, and trying to stay alive.

Draft Law on Associated Labor Analyzed

95BA0191A Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 27 Feb 95 pp 29-30

[Article by Mijat Lakicevic: "The Return of What Was Written Off"]

[FBIS Translated Text] ZUR [Law on Associated Labor] among the Serbs again; the legislator does not believe in the dinar; personnel resolve everything—the old rule in a new guise.

The draft law on enterprises that was recently adopted by the Federal Government represents a significant step toward a contractual economy, associated labor, and generally the kind of economy and society that we had just hoped were in the distant past. Perhaps this assertion may sound exaggerated or even incredible to someone, because a person really has to wonder whether anything like that is really possible after everything that has been uttered and written at the expense of those concepts in the past five or six years, or even longer. The law on enterprises is undoubtedly one of the most important if not the most important systemic economic law, and a society's economic philosophy is reflected in it. It is precisely on that basis that one can say without any ambiguity that the central concept of our economic life will be the socialized enterprise. Naturally, that does not mean that the socialized enterprise is the dominant category in the law before us. Only nine articles in that law are devoted to the socialized enterprise, while about a hundred have to do with all types of enterprises. What is decisive, however, and what the law's authors cite in explaining it (as an argument in favor of preserving the socialized enterprise category), is that 80 percent of the economic potential and the same percentage of employees are in that type of enterprise. It is consequently clear that the provisions of the law that apply to socialized enterprises will be most extensively and frequently used, and that they are the ones that will regulate the greater part of economic life.

Talents and Admirers

Naturally, this by no means indicates that the law on enterprises uses "ZUR" terminology. On the contrary, although we would not exactly swear to it, it seems to us that social property is not mentioned anywhere in the entire law, which has 469 articles. Thus, even a socialized enterprise is defined as "an enterprise that operates with social capital." Consequently, we know what the socialized enterprise "operates" with, and we also know who manages it—a director and an administrative board, and we also know who gets the dividends of the enterprise is successful—the employees—and the only thing we do not know is who the enterprise belongs to. Socialized? Does that mean that it is everyone's? Perhaps no one's? Who, for instance, can (may) sell a socialized enterprise? There is no answer to that question and similar ones, however. Anyone who still has the will to remember will remember that at the very beginning of the criticism of social ownership, it was precisely the so-called nonownership concept of social property that was criticized, that designation of its "owner" was demanded, etc.

Just as there is no social property, there is also no longer any congress of working people, nor a workers' council, not self-management workers' control; instead of them there are now an assembly, an administrative board, and a supervisory board. As the explanation of the law states beautifully, however, in spite of the principle of the compatibility of the the bodies of a socialized enterprise with the bodies of a capital company, management in a socialized enterprise is "basically founded on the labor of the employees." Isn't management on the basis of labor the fundamental principle of the Law on Associated Labor?

Furthermore, the legislator also has the intention of extending that management to other enterprises as well, not stopping with just the socialized ones. That is why it is prescribing that one-third of the members of the administrative and supervisory boards in private enterprises have to be from the ranks of the employees, citing in this regard the "standards achieved" in participation, or joint decisionmaking, in France and Germany. As Milan Kovacevic has shown, that argument is not correct, either: In Germany workers can only be members of the supervisory board, and only in certain sectors (the production of coal, steel, etc.), while in France, only employees in public enterprises have a right to one-third of the seats in the administrative council.

In general, the key elements of this law are explained by a desire to coordinate Yugoslav regulations in this field

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with European ones. That, it is said, is the reason for the rejection of the division in the (still valid) law which took ownership as the criterion and divided enterprises into private, socialized, public, cooperative, and mixed ones. "It is necessary to accept the EC countries' legal standards for the forms of enterprises," the explanation of the new law states. "This would significantly reduce certain differences in the legal systems in this field."

That goal, of course, is praiseworthy, but the question that arises is why the authors of the law did not remember to check on whether phenomena such as social capital, socialized enterprises, etc., existed in any of the countries to whose economic systems we are coming closer. If not, then let us offer them something from our rich legal arsenal, so that they can adjust their system to ours a little, because we can hardly come closer to them when they will not give in even a little, and rigidly adhere to their already adept schemes and principles, which are indeed effective and (economically) successful, but it seems that that is the most important thing in economics.

The intention, on one hand, to implement the institutions of European economic trends, and on the other, to preserve the socialized enterprise despite everything, faces the authors of the law with insoluble problems. That even gives rise to certain technical legal mistakes, i.e., logical errors in classification that would even be hard to forgive Law School students. Thus, for instance, the explanation explicitly states that all the EU countries recognize four forms of enterprises: two within the framework of the so-called company of persons (partnerships and cooperatives), and two within the framework of capital companies (stock companies and limited liability companies). Our future law, however, prescribes three forms: the economic company (which is then divided into four "subforms"), the socialized enterprise, and the public enterprise. Consequently, the socialized enterprise is viewed as a separate form, although it is clear that what distinguishes it from all other enterprises is not any sort of difference in form, but rather in the very content—ownership of the enterprise. In that context the argument that the EU countries do not have any classification into private, cooperative, and public enterprises as separate forms completely misses the mark, because such atypical, not to say abnormal, economic entities that go beyond any principle simply do not exist there. On the other hand, this is also the reason why it is possible to say that public enterprises, i.e., enterprises which perform work in the public interest, do not constitute a separate organizational form, but instead only have a separate regime for performing their activities, because a public enterprise has an owner, well known and defined, regardless of whether it is the state or a private individual, and all the rules apply to that enterprise just like any other. That is not the case with a socialized enterprise, as we know from our own experience of many years.

In that context, not even the provision that provides for the possibility of distributing profits on the basis of social capital, "in order to motivate employees to manage the social capital," will not help much. Specifically, that possibility existed in the past as well, and it actually even exists now, because employees at socialized enterprises that are doing well, in addition to much higher wages than their colleagues in other firms, have also had several other benefits, such as holidays at their own resorts, etc., but that nevertheless has not yielded any results whatsoever at the level of the economic system. Among other things, there have not been any consequences at all because of bad management; loss-producers have been socialized, which has had a discouraging effect upon the few that did well.

Yugoslav Managerial Revolution

Obviously this sort of concept of the law on enterprises is the result of the view of economists and philosophers close to the Socialist Party of Serbia (Oskar Kovac, Mihailo Markovic) that in modern economies ownership is not important, because owners do not manage enterprises, and instead a small stratum of professional managers have assumed that role. That is also why a solution to the problem of the inefficiency of social ownership is sought in choosing the right people, managers who, by virtue of their abilities, will turn around the socialist economy's success record.

There are at least two question marks above the economic philosophy of the new law on enterprises. First of all, the assertion that ownership has become unimportant in a modern economy is very dubious, to say the least. Even if it were correct, however, it is anticipated that several hundred years of severe market competition among thousands of smaller and larger private firms would have to pass in order to create the kind of economic and social environment (an essential element in which is psychology, both individual and social) that will allow enterprises to function "without owners." The neglect of that enormous social experience and the simple transplanting of the institutions arising from it are approximately equivalent to an attempt to have fig trees transplanted to Siberia or some similar Mediterranean "environment."

There is consequently no doubt that the draft law on enterprises that the Federal Government prepared for the Federal Assembly represents an attempt to preserve social property. Actually, its goal is to develop, promote, and increase that property. The initial information about the law on transformation that the Federal Government is also supposed to announce soon indicates that in transformation, one stone has not been left on top of another. All in all, the idea on which general agreement was reached four or five years ago at the expert level and apparently at the political level, i.e., the idea of privatization, has been given up. What is going on is a reconstruction of the economic system on the basis of social property.

The regulations on setting prices, the central coordination teams, the enormous customs protection, and the pushing of the private sector toward the margins of

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economic life, into the area of the gray economy and black market—everything that is happening right now—are only new threads in the net that is being woven for us.

Serbia

Seselj Demands French Withdrawal From Bosnia

LD1904185995 Belgrade SRNA in Serbo-Croatian 1749 GMT 19 Apr 95

[Item received by fax]

[FBIS Translated Excerpt] Belgrade, 19 Apr (SRNA)—Vojislav Seselj, president of the Serbian Radical Party [SRS], said in Belgrade today that "French UN troops should immediately withdraw from former Bosnia-Herzegovina."

Seselj told SRNA that "the French UN troops have always sided with the Muslims, while the Muslims have been killing them, so there is no reason for them to stay in the territory of former Bosnia-Herzegovina." [passage omitted]

"The SRS has nothing against the resumption of peace talks but only if they are direct talks between the warring parties without any mediation by Slobodan Milosevic. The Contact Group will continue to press the Serbs in order to realize its goals but one should not pay attention to this. The Muslims violated the cease-fire first and the Serbs should now respond with all their might," Seselj concluded.

Kosovo

Yugoslav Army: Training Under Way in Klina

AU1904172295 Belgrade NASA BORBA in Serbo-Croatian 19 Apr 95 p 16

[Article by M.M.I.: "It Is Only a Regular Spring Exercise"]

[FBIS Translated Text] Pristina—The regular spring training of the units of the Yugoslav Army Pristina Corps is under way on the training grounds around Klina. Also participating are reservists from several Metohija and Kosovo municipalities. We found this out unofficially from Pristina Corps Command yesterday. The officer in charge of information in the corps is, by the way, participating together with commander Lieutenant Colonel General Milovan Bojevic in the exercise that began on 28 March and is to end tomorrow [20 April].

Our source told us that this military exercise was not intended to disturb the Albanian population. However, members of the separatist movements are using this exercise for propaganda purposes, as usual, trying to maintain the high level of tension in Kosovo and Metohija.

Albania's Stance Toward Kosovo Questioned

LD1904172895 Belgrade TANJUG in English 1637 GMT 19 Apr 95

[Article by Dragan Glumicic: "A Change of Attitude or Another Trick"]

[FBIS Transcribed Text] Pristina, Apr 19 (TANJUG)—Fresh messages from Tirana have started reaching this week ethnic Albanians in Serbia's province of Kosovo and Metohija, which might lead to the conclusion that Albania has taken a more realistic stance—i.e., that the Kosovo issue can only be settled through a dialogue with Belgrade.

A similar message has also come from Albanian President Sali Berisha following a meeting with the principal advocate of Kosovo's secession Ibrahim Rugova. According to official sources, Berisha and Rugova agreed that it was imperative to establish a dialogue between Pristina (Kosovo chief town) and Belgrade, in the presence of a third party, in order to avoid a deterioration of the situation.

Yugoslav and Serbian leaders have repeatedly offered dialogue to ethnic Albanians to discuss all controversial issues except Kosovo's secession, but these proposals have always been turned down. It remains to be seen whether Albania has taken a new turning in its foreign policy, or if it is now trying to save what it can having realised the impossibility of achieving a 'Greater Albania'.

The latest appeals for a Serbian-Albanian dialogue indeed no longer mention Kosovo's independence or so-called right to self-determination, but at the same time, none of the ostensibly conciliatory messages fail to demand the presence of a third party. However, it is precisely this demand which is unacceptable, as Belgrade insists on dialogue within the framework of existing system institutions.

In the present situation when even international factors which favor separatists are admitting that their dream of the establishment of some kind of a 'Kosovo republic' and secession must be at least postponed if not forgotten, Albania is resorting to a new trick—internationalizing the problem. International mediation, to be followed perhaps by an international protectorate over Kosovo, would in fact provide to both Albania and Kosovo separatists a much better climate for the achievement of their final goals.

These calculations show that Albanians still have a poor sense of reality, as the international community has taken a firm stance that Kosovo is a part of Serbia and that any other solution would inevitably lead to a war in the Balkans and trigger off a chain of demands for border changes in Europe. Since 1981, a strong separatist movement has been active in Kosovo demanding secession from Yugoslavia and integration with Albania.

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